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## State Overview

**LABOR FORCE DEVELOPMENTS**

Labor force details for the state, labor market areas, counties, and major cities can be found in State Table 1 on page 3.

August's statewide seasonally adjusted unemployment rate was 4.6 percent, a decrease of four-tenths of a percentage point from July's rate of 5.0 percent. The current unemployment rate is two-tenths of a percentage point below the 4.8 percent rate experienced one year ago and below the national rate for the first time since December 1996. The unemployment rate for the nation rose four-tenths of a percentage point to 4.9 percent in August, the highest since September 1997 when the unemployment rate was also 4.9 percent.

The number of unemployed persons decreased to 31,500 in August, down 2,700 from July. The decline in unemployment was somewhat unexpected as a number of layoffs were announced in August. The reasons for the decrease include: people receiving severance pay are not yet counted as unemployed; layoffs recently announced will not occur until later in the year, and other people have found jobs. It is anticipated that the number of jobless workers will increase in September. The number of employed persons increased by 5,100 to a record level of 655,000. These changes resulted in a *Civilian Labor Force* of a record 686,500 in August, up 2,400 from July.

The changes in Idaho's labor force from August 2000 show an increase of 26,800 persons, or 4.1 percent. Year-over-year, the total number of persons employed was up 27,000, or 4.3 percent, and the number of persons unemployed decreased slightly by 200 or -0.6 percent. (See Table 4: *Economic Indicators* on page 6.)

During the last 24 years, the seasonally adjusted unemployment rate has decreased 14 times from July to August. Of those 14 only two have been large decreases. Between July and August 1985, there was a five-tenths of a percentage point decrease when the unemployment rate dropped from 8.4 percent to 7.9 percent. Between July and August 1990 there was a six-tenths of a percentage point drop when the rate decreased from 6.4 percent to 5.8 percent. Both the average increase and decrease in the unemployment rate between July and August is two-tenths of a percentage point.

**AREA LABOR FORCE HIGHLIGHTS**

Labor force statistics are calculated for eight multi-county Labor Market Areas (LMAs). The LMAs and their component counties are listed in State Table 1. Unemployment rates are calculated each month for these LMAs: Boise City Metropolitan Statistical Area (MSA), Pocatello City MSA, Bonneville LMA, Cassia-Minidoka LMA, Idaho-Lewis LMA, Magic Valley LMA, Panhandle LMA, and Seaport LMA. State Table 1 lists the counties included in each labor market area.

While the statewide August unemployment rate was favorable, the rates for some of the labor market areas were high. As displayed in State Table 1, the Idaho-Lewis LMA once again had the highest unemployment rate. Although less than 750 people were unemployed in this two-county area, the high rate is consistent with the persistent economic condition in this area that is heavily dependent upon

the forest products industries.

Another northern Idaho LMA with a high unemployment rate in August was the Panhandle region. The five northernmost counties of Idaho comprise this region. The Panhandle LMA has the second largest civilian labor force of all LMAs. This region is quite dependent upon forest products industries as well as mining. Mining employment has been depressed for years, and there were additional layoffs at regional sawmills in August.

The Boise City Metropolitan Statistical Area (MSA), in which 37 percent of the state's civilian labor force resides, had an unemployment rate of 3.9 percent. While this is not a high unemployment rate, the Boise MSA has experienced a large number of layoffs in the high tech industry since March. The unemployment rate was at its lowest level in January at 2.8 percent. In April, the rate jumped to 3.7 percent from 3.1 percent in March, reflecting the beginning of many layoffs. The state's other MSA, Pocatello City, had an unemployment rate of 4.3 percent.

The Bonneville LMA and Magic Valley LMA experienced the lowest unemployment rate, 3.0 percent, in August.

### COUNTY LABOR FORCE HIGHLIGHTS

Of the 44 counties in Idaho, four had double-digit unemployment rates in August. All of these counties have a natural resource-based economy which is dependent upon logging, food processing, and supporting jobs in areas such as truck driving and public land management. Only one county, Payette, is new to the double-digit list. The other three are usual members of the double-digit list, signifying persistent employment problems.

Clearwater County is in north central Idaho with Montana at its eastern border. In August, the seasonally adjusted unemployment rate was 14.6 percent, the highest of all the counties in August. In July the rate was 14.9 percent and in August 2000, the rate was 13.5 percent. It was in September 2000 that the unemployment rate jumped to 23.6 percent when Potlatch announced the closure of the Jaype mill in Pierce. The mill closure added to an already high unemployment rate.

Shoshone County is in the eastern portion of the Panhandle region. Its August 2001 unemployment rate was 11.7 percent. The county's July rate was 14.0 percent, and the July 2000 rate was 11.6 percent.

Adams County, on the west side of the state near the north-south midpoint, had a 10.6 percent seasonally adjusted unemployment rate. In July the rate was 13.5 percent. Three years ago, in August 1998, the rate was 7.1 percent.

Payette County, on the Idaho-Oregon border, joined the ranks of counties with double-digit unemployment in August. The county's unemployment rate in August was 10.2 percent, up from the July 2001 rate of 6.2 percent and the August 2000 rate of 6.8 percent. The increase in the unemployment rate in Payette County was because of a general slowdown in the manufacturing, construction, and trucking sectors.

At the other end of the scale, there were nine counties with unemployment rates of 3.0 percent or less in August. Twin Falls and Gooding counties are in south central Idaho. Both of these counties had an unemployment rate of 3.0 percent in August. Gooding County's unemployment rate for July 2001 was 3.7 percent and 3.6 percent in August 2000. Twin Falls County unemployment rate in August is below the 4.7 percent in July 2001 and the 3.4 percent rate of August 2000.

Butte County is in northeastern Idaho and approximately 572,000 acres is home to the Idaho National Engineering & Environmental Laboratory (INEEL). Although over 8,000 people work at INEEL, the labor force is less

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than 2,000 because labor force counts people where they live rather than where they work. The other 6,000 INEEL employees do not live in Butte County. The county's unemployment rate was 2.9 percent in August, down from 4.6 percent in July and down from 3.2 percent in August 2000.

Teton and Bonneville counties are in northeast Idaho. Both of these counties had an unemployment rate of 2.7 percent in August. Teton County's unemployment rate in was 2.2 percent in July 2001 and 2.8 percent in August 2000. Bonneville County's unemployment rate in August was below the 3.0 percent in both July 2001 and August 2000.

Blaine and Lincoln counties are in south central Idaho. Both of these counties had an unemployment rate of 2.6 percent in August. Blaine County's unemployment rate was down from 2.9 percent in July 2001 and 3.2 percent in August 2000. Lincoln County's unemployment rate in August was below the 3.9 percent in both July 2001 and August 2000.

Oneida County is in southeastern Idaho. The county's unemployment rate in August was 2.2 percent, down from July's rate of 3.0 percent. One year ago, the unemployment rate was 3.1 percent.

Madison County, home of BYU-Idaho, formerly Ricks College, in northeast Idaho had the lowest unemployment rate of all the counties in August at 1.7 percent. The July 2001 rate was 2.1 percent, and the August 2000 rate was 2.0 percent.

## AGRICULTURE

August is harvest time for most row crops, grains, and another cutting of hay. The potato vines are usually killed in preparation for the fall harvest, although early varieties are dug. Irrigation slowed because of the lack of water and harvest activities. It is also the month in which the demand for labor shifts from field workers to other jobs, such as truck driving, product grading and sorting, and packaging operations. Field workers still are needed for late season irrigating and preparing the harvested crops for transportation to processing plants or warehouses.

An estimated 40,030 agriculture workers were employed in Idaho during August. This means 6.1 percent of Idaho's total employment were persons working on farms. It is estimated that 76 percent of these workers were hired workers rather than operators or unpaid family workers.

Prices received by Idaho farmers in August showed increases from July for feed barley, dry beans, potatoes, all wheat, beef cattle, and all milk. Price declines were recorded for calves, cows, and steers and heifers. Alfalfa hay prices remained unchanged. *(This information was taken from the Idaho information on the U.S. Department of Agriculture Statistical Service's Internet site. For readers interested in agricultural developments, this site might be a useful reference: <http://www.nass.usda.gov/id/>. The reader should then click on Publications, Agriculture in Idaho, Archive, 2001,*

State Table 1: August 2001 Labor Force (preliminary)				
Seasonally Adjusted	Labor Force	Unemp.	% Unemp.	Total Emp.
<b>Seaport LMA</b>	34,850	1,330	3.8	33,520
Nez Perce County	23,210	790	3.4	22,420
Asotin County, WA	11,640	540	4.6	11,100
<b>Boise City MSA</b>	252,360	9,860	3.9	242,500
Ada County	182,430	6,270	3.4	176,160
Canyon County	69,940	3,590	5.1	66,350
<b>Pocatello City MSA*</b>	40,340	1,750	4.3	38,590
<b>Bonneville LMA</b>	83,820	2,550	3.0	81,270
Bingham County	22,870	880	3.9	21,990
Bonneville County	48,550	1,290	2.7	47,260
Butte County	1,670	50	2.9	1,620
Jefferson County	10,730	330	3.1	10,400
<b>Cassia-Minidoka LMA</b>	19,390	1,250	6.4	18,140
Cassia County	9,580	540	5.7	9,040
Minidoka County	9,800	700	7.2	9,100
<b>Idaho-Lewis LMA</b>	8,000	670	8.4	7,330
Idaho County	6,400	570	8.9	5,830
Lewis County	1,605	105	6.5	1,500
<b>Panhandle LMA</b>	92,060	6,840	7.4	85,220
Benewah County	4,425	345	7.8	4,080
Bonner County	18,070	1,460	8.1	16,610
Boundary County	4,610	330	7.2	4,280
Kootenai County	58,060	3,900	6.7	54,160
Shoshone County	6,910	810	11.7	6,100
<b>Magic Valley LMA</b>	47,220	1,440	3.0	45,780
Gooding County	6,600	200	3.0	6,400
Jerome County	8,850	270	3.1	8,580
Twin Falls County	31,765	965	3.0	30,800
Adams County	1,720	180	10.5	1,540
Bear Lake County	2,770	150	5.3	2,620
Blaine County	12,410	320	2.6	12,090
Boise County	2,390	130	5.3	2,260
Camas County	315	15	5.4	300
Caribou County	3,210	180	5.5	3,030
Clark County	595	25	4.5	570
Clearwater County	3,840	560	14.6	3,280
Custer County	2,160	145	6.7	2,015
Elmore County	9,570	470	4.9	9,100
Franklin County	4,890	150	3.1	4,740
Fremont County	4,630	240	5.2	4,390
Gem County	6,970	580	8.3	6,390
Latah County	14,770	480	3.3	14,290
Lemhi County	3,550	230	6.5	3,320
Lincoln County	1,860	50	2.6	1,810
Madison County	11,775	195	1.7	11,580
Oneida County	1,820	40	2.2	1,780
Owyhee County	4,840	220	4.6	4,620
Payette County	10,070	1,030	10.2	9,040
Power County	3,565	145	4.1	3,420
Teton County	3,670	100	2.7	3,570
Valley County	4,205	305	7.3	3,900
Washington County	4,515	445	9.9	4,070
<b>State of Idaho</b>	<b>686,500</b>	<b>31,540</b>	<b>4.6</b>	<b>654,960</b>
<b>Idaho Cities</b>				
Boise	115,860	4,010	3.5	111,850
Coeur d'Alene	20,550	1,070	5.2	19,480
Idaho Falls	29,900	840	2.8	29,060
Lewiston	19,790	590	3.0	19,200
Nampa	21,460	1,210	5.6	20,250
Pocatello	29,000	1,270	4.4	27,730
Twin Falls	16,600	530	3.2	16,070

\* Pocatello MSA includes all of Bannock County.

and the issue they are interested in. Agriculture in Idaho is published twice a month. The first issue is available at mid-month and has the price information.)

## EMPLOYMENT BY INDUSTRY

Idaho's *Nonfarm Payroll Jobs* totaled 572,800, a decrease of 400 or 0.1 percent from July's total. August was the second consecutive month in which the current month's job count was lower than the previous month. However, nonfarm jobs increased by 4,500 from August 2000. A slowdown in Idaho's job growth has been anticipated as nearly 6,000 layoffs have been announced by Idaho companies. The length of the trend and the impact of the September 11<sup>th</sup> terrorist attack will not be known for several months.

The monthly job decrease occurred in *Service-Producing Industries*, down 400 jobs. Year-over-year, *Goods-Producing Industries* decreased 0.6 percent (700 jobs) and *Service-Producing Industries* grew 1.2 percent (5,200 jobs).

### Mining

*Mining* employment remained unchanged from July. However, the effects of Sunshine and Bear Track mine closures earlier in the year show up in the year-over-year numbers. Reductions in the *Metal Mining* industry account for 400 of the job losses year-over-year. This loss was offset by additional jobs in the *Nonmetallic Mining* sector, particularly phosphate mining. *Metal Mining* suffered a significant 30.8 percent job reduction since August 2000.

### Construction

The *Construction* industry maintained its jobs growth during August. This industry continues to benefit from low interest rates in the residential housing sector, summer road and bridge projects, and commercial construction. The 40,000 jobs level was 0.8 percent more than July 2001 and August 2000.

### Manufacturing

*Total Manufacturing* lost 300 jobs from July to August. Most of the net job loss in this group was in *Durable Goods*. The largest decrease occurred in *Sawmills & Planing Mills* as 200 jobs were lost because of the continuing affect of the closure of the two Boise Cascade sawmills and reduction in staff at other sawmills across the state.

### Lumber & Wood Products

The impact of the mill closures in the past twelve months is reflected in the over-the-year data. A loss of 1,100 jobs has occurred in the *Lumber & Wood Products* since August 2000 with 800 in *Sawmills & Planing Mills* and 300 in both *Wood Buildings & Mobile Homes* and *Other Lumber & Wood Products*. The lumber industry continues to be buffeted by a combination of fewer trees to cut, competition with imported logs and lumber, weakness in the demand for exported wood products, and the subsequent closure of several sawmills in the state.

## Electronics

There continued to be job losses in the electronics industry in Idaho. The loss of 100 jobs in *Industrial & Commercial Machinery & Computer Equipment* resulted from additional layoffs at MCMS in Nampa. These layoffs were announced in July. During August additional layoffs were announced by Hewlett-Packard and SCP Global Technologies. Since January the usual fast growing *Electronic & Other Electrical Equipment & Components, excluding Computers* sector has only added 200 jobs. Again, this reflects the tough times in the electronics industry. However, the increase of 1,200 jobs since August 2000 in this sector offsets the loss of 600 jobs during the same period in *Industrial & Commercial Machinery & Computer Equipment*. The outlook for the remainder of 2001 is continuing job losses. There were minimal job gains or losses from July to August in the other *Manufacturing* industries.

## Service-Producing Industries

The loss of 400 jobs in *Service-Producing Industries* from July to August primarily was because of job decreases in *Nondurable Wholesale Trade* and *Local Education*. Many jobs in *Nondurable Wholesale Trade* involve packing fresh fruits and vegetables, and August is normally a transition time between the summer and fall crop harvests. The loss of 1,000 jobs in *Local Government Education* is because of summer school vacation, and new teachers were not on the payrolls yet. The public school employment levels were 5.0 percent greater in August 2001 than in August 2000.

## Summary

The state's average gain in *Nonfarm Payroll Jobs* year-over-year was 0.8 percent. Other industries that were significantly above this average were *Logging* (13.0 percent); *Hospitals* (8.5 percent); *Communications* (7.5 percent); *Health Services* (3.6 percent); *Electric, Gas, & Sanitary Services* (2.4 percent); *Personal Services* (2.4 percent); *General Merchandise Stores* (2.2 percent); *Motor Freight Transportation & Warehousing* (1.9 percent); *Automotive Dealers & Gasoline Service Stations* (1.6 percent); *State Government Education* (1.3 percent); and *Eating & Drinking Places* (1.3 percent). The majority of these sectors are *Service-Producing Industries*, which up to this point have not been significantly impacted by the announced layoffs. However, when the announced layoffs become reality and it takes longer for the unemployed to find jobs, the trickle effect will be felt in all sectors of Idaho's economy. The year-over-year growth is less than half the 4.1 percent growth rate experienced between August 1999 and August 2000. Idaho's economy is definitely slowing down. It may not be an official recession, but if you are one of the more than 30,000 unemployed, you are in a recession.

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State Table 2: Nonfarm Payroll Jobs

BY PLACE OF WORK	Aug 2001*	July 2001	Aug 2000	% Change From	
				Last Month	Last Year
<b>Nonfarm Payroll Jobs**</b>	572,800	573,200	568,300	-0.1	0.8
<b>GOODS-PRODUCING INDUSTRIES</b>	119,100	119,100	119,800	0.0	-0.6
<b>Mining</b>	2,400	2,400	2,600	0.0	-7.7
Metal Mining	900	900	1,300	0.0	-30.8
<b>Construction</b>	40,000	39,700	39,700	0.8	0.8
<b>Manufacturing</b>	76,700	77,000	77,500	-0.4	-1.0
Durable Goods	47,600	47,800	48,300	-0.4	-1.4
Lumber & Wood Products	11,300	11,400	12,400	-0.9	-8.9
Logging	2,600	2,500	2,300	4.0	13.0
Sawmills & Planing Mills	3,900	4,100	4,700	-4.9	-17.0
Wood Buildings & Mobile Homes	1,000	1,000	1,300	0.0	-23.1
Other Lumber & Wood Products	3,800	3,800	4,100	0.0	-7.3
Stone, Clay, Glass & Concrete Products	1,500	1,500	1,500	0.0	0.0
Fabricated Metal Products, exc. Machinery & Transportation Equip.	3,100	3,000	3,100	3.3	0.0
Industrial & Commercial Machinery & Computer Equipment	10,000	10,100	10,600	-1.0	-5.7
Electronic & Other Electrical Equip. & Components, Exc., Computer	15,700	15,700	14,500	0.0	8.3
Transportation Equipment	2,300	2,300	2,500	0.0	-8.0
Other Durable Goods	3,700	3,800	3,700	-2.6	0.0
Nondurable Goods	29,100	29,200	29,200	-0.3	-0.3
Food Processing	17,200	17,300	17,100	-0.6	0.6
Canned, Frozen, & Preserved Fruits, Vegetables & Food Specialties	9,700	9,800	9,700	-1.0	0.0
Paper Products	2,100	2,100	2,200	0.0	-4.5
Printing, Publishing & Allied Products	5,400	5,400	5,500	0.0	-1.8
Chemicals & Allied Products	2,300	2,300	2,300	0.0	0.0
Other Nondurable Goods	2,100	2,100	2,100	0.0	0.0
<b>SERVICE-PRODUCING INDUSTRIES</b>	453,700	454,100	448,500	-0.1	1.2
<b>Transportation, Communications, &amp; Utilities</b>	29,300	28,900	28,300	1.4	3.5
Transportation	17,900	17,600	17,500	1.7	2.3
Railroad	1,400	1,400	1,400	0.0	0.0
Motor Freight Transportation & Warehousing	10,600	10,400	10,400	1.9	1.9
Communications	7,200	7,100	6,700	1.4	7.5
Electric, Gas, & Sanitary Services	4,200	4,200	4,100	0.0	2.4
<b>Trade</b>	144,700	144,900	145,600	-0.1	-0.6
Wholesale Trade	32,300	32,900	33,200	-1.8	-2.7
Durable Goods	15,400	15,600	15,700	-1.3	-1.9
Nondurable Goods	16,900	17,300	17,500	-2.3	-3.4
Retail Trade	112,400	112,000	112,400	0.4	0.0
Building Materials, Hardware, Garden Supply & Manuf. Home Dealers	6,800	6,800	7,100	0.0	-4.2
General Merchandise Stores	13,700	13,700	13,400	0.0	2.2
Food Stores	19,700	19,900	20,100	-1.0	-2.0
Automotive Dealers & Gasoline Service Stations	12,500	12,500	12,300	0.0	1.6
Eating & Drinking Places	40,000	39,700	39,500	0.8	1.3
<b>Finance, Insurance &amp; Real Estate</b>	23,900	23,800	23,800	0.4	0.4
Banking	7,200	7,200	7,300	0.0	-1.4
<b>Services</b>	152,200	151,600	148,400	0.4	2.6
Hotels & Other Lodging Places	9,400	9,300	9,400	1.1	0.0
Personal Services	4,300	4,300	4,200	0.0	2.4
Business Services	30,900	31,100	30,800	-0.6	0.3
Amusement and Recreation Services	8,200	8,100	8,300	1.2	-1.2
Health Services	37,700	37,400	36,400	0.8	3.6
Hospitals	12,700	12,700	11,700	0.0	8.5
Engineering, Accounting, Research, Management, & Related Services	18,200	18,200	18,200	0.0	0.0
<b>Government</b>	103,600	104,900	102,400	-1.2	1.2
Federal Government	15,000	15,000	15,500	0.0	-3.2
State & Local Government	88,600	89,900	86,900	-1.4	2.0
State Government	26,600	26,800	26,700	-0.7	-0.4
Education	11,200	11,400	11,500	-1.8	-2.6
Administration	15,400	15,400	15,200	0.0	1.3
Local Government	62,000	63,100	60,200	-1.7	3.0
Education	31,800	32,800	30,300	-3.0	5.0
Administration	30,200	30,300	29,900	-0.3	1.0

\* Preliminary Estimate

\*\* Estimates include all full or part time wage and salary workers who worked or received pay in the following industry groups during the pay period ending nearest the 12th of the month.

DATA PREPARED IN COOPERATION WITH THE BUREAU OF LABOR STATISTICS

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# State Table 3: Economic Indicators

State Table C: Economic Indicators

	August 2001	July 2001	August 2000	% Change From	
				Last Month	Last Year
IDAHO LABOR FORCE <sup>(1)</sup>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	686,500	684,100	659,700	0.4	4.1
Unemployment	31,500	34,200	31,700	-7.9	-0.6
Percent of Labor Force Unemployed	4.6	5.0	4.8		
Total Employment	655,000	649,900	628,000	0.8	4.3
<b>Unadjusted</b>					
Civilian Labor Force	695,000	695,400	667,900	-0.1	4.1
Unemployment	28,700	30,700	28,600	-6.5	0.3
Percent of Labor Force Unemployed	4.1	4.4	4.3		
Total Employment	666,300	664,700	639,300	0.2	4.2
U. S. UNEMPLOYMENT RATE <sup>(2)</sup>					
	4.9	4.5	4.1		
U.S. CONSUMER PRICE INDEX <sup>(2)</sup>					
Urban Wage Earners & Clerical Workers (CPI-W)	173.8	173.8	169.3	0.0	2.7
All Urban Consumer (CPI-U)	177.5	177.5	172.8	0.0	2.7
AGRICULTURE					
Agriculture Employment	40,030	39,080	40,790	2.4	-1.9
Operators	9,010	9,010	9,010	0.0	0.0
Unpaid Family	670	610	670	9.8	0.0
Hired Workers	30,350	29,460	31,110	3.0	-2.4
UNEMPLOYMENT INSURANCE					
<b>Claims Activities</b>					
Initial Claims <sup>(3)</sup>	9,057	8,954	7,076	1.2	28.0
Weeks Claimed <sup>(4)</sup>	52,415	59,847	36,283	-12.4	44.5
<b>Benefit Payment Activities<sup>(5)</sup></b>					
Weeks Compensated	42,134	48,784	34,661	-13.6	21.6
Total Benefit \$ Paid	8,669,856	10,113,275	6,599,659	-14.3	31.4
Average Weekly Benefit Amount	\$205.77	\$207.31	\$190.41	-0.7	8.1
Covered Employers	40,235	40,027	38,722	0.5	3.9
Total Benefit \$ Paid During Last 12 Months <sup>(4)</sup>	\$130,258,272	\$128,188,074	\$103,415,075	1.6	26.0

(1) Preliminary Estimate

(2) Source: U.S. Bureau of Labor Statistics

(3) Includes all entitlements/programs on Intrastate and Interstate Agent, New, and Additional Claims

(4) Includes all entitlements/programs, Intrastate and Interstate Agent

(5) Includes all entitlements/programs, Total Liable Activities

(1) Preliminary Estimate

(2) Source: U.S. Bureau of Labor Statistics

(3) Includes all entitlements/programs on Intrastate and Interstate Agent, New, and Additional Claims

(4) Includes all entitlements/programs, Intrastate and Interstate Agent

(5) Includes all entitlements/programs, Total Liable Activities

## HOURS AND EARNINGS

	Average Weekly Earnings*			Average Weekly Hours			Average Hourly Earnings		
	August 2001	July 2001	August 2000	August 2001	July 2001	August 2000	August 2001	July 2001	August 2000
Mining	\$627.92	\$601.29	\$605.97	40.2	39.3	39.4	\$15.62	\$15.30	\$15.38
Construction	\$685.67	\$686.02	\$604.46	40.5	39.7	39.2	\$16.93	\$17.28	\$15.42
Total Manufacturing	\$591.14	\$567.73	\$564.87	37.7	37.4	39.2	\$15.68	\$15.18	\$14.41
Lumber & Wood Products	\$588.16	\$572.62	\$525.92	39.5	38.2	38.0	\$14.89	\$14.99	\$13.84
Food & Kindred Products	\$451.56	\$471.74	\$475.94	38.3	41.6	40.3	\$11.79	\$11.34	\$11.81
Communications	\$696.47	\$767.91	\$740.12	38.5	42.9	42.1	\$18.09	\$17.90	\$17.58
Electric, Gas, & Sanitary Services	\$821.78	\$840.41	\$909.79	38.8	38.8	41.6	\$21.18	\$21.66	\$21.87
Trade	\$327.67	\$342.89	\$316.03	30.2	31.2	30.3	\$10.85	\$10.99	\$10.43
Wholesale Trade	\$514.81	\$526.78	\$507.57	35.9	37.6	36.1	\$14.34	\$14.01	\$14.06
Retail Trade	\$278.10	\$292.24	\$264.04	28.7	29.4	28.7	\$9.69	\$9.94	\$9.20

DATA PREPARED IN COOPERATION WITH THE BUREAU OF LABOR STATISTICS

\* These average earnings are computed on a gross basis and reflect changes in premium pay for overtime and late shift work as well as changes in basic hourly and incentive wage.



# PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

## LABOR FORCE AND EMPLOYMENT

Summer gave the Idaho Panhandle a break from the layoffs and economic doldrums it endured in the first half of 2001. Despite job losses earlier in the year in mining, forest products, and manufacturing, the Panhandle saw Total *Nonfarm Payroll Jobs* increase 2.2 percent in August, year-over-year. The March opening and subsequent expansion of the Center Partners call center in Coeur d'Alene added 800 *Services* jobs. The summer tourist season turned out much better than many feared when gasoline prices were rising in late spring and the possibility of the worst forest fire season in 50 years threatened. Hotels, motels, campgrounds, restaurants, bars, and tourist attractions in August added about 280 jobs year-over-year. Expansion of the Panhandle's five community hospitals and extra hiring by the U.S. Forest Service helped *Government Administration* add 340 jobs between August 2000 and August 2001.

Unfortunately, the summer's glow soon disappeared. The downturn in the U.S. economy and the fallout from the September 11 terrorist attacks began to take a toll on Panhandle jobs in late September. There will be more information on that in the November newsletter.

## AREA DEVELOPMENTS

### Benewah County

- The Potlatch Complex in St. Maries hired 20 new employees in September, bringing the total number of hourly wage earners to 337. That is the "normal" level at the complex. Employment fell below normal in 2000, when the Pacific Northwest's wood product industry entered its worst slump in nine years. Increased demand and rising prices for plywood in recent months led to the hiring. Also helping the complex's lumber mill and other Panhandle mills is the tariff recently imposed on Canadian lumber, which has re-

Panhandle Table 1: Labor Force & Employment

	August 2001*	July 2001	August 2000	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	92,070	92,200	89,250	-0.1	3.2
Unemployed	6,840	8,000	8,050	-14.5	-15.0
% of Labor Force Unemployed	7.4%	8.7%	9.0%		
Total Employment	85,230	84,200	81,200	1.2	5.0
<b>Unadjusted</b>					
Civilian Labor Force	93,750	93,550	90,450	0.2	3.6
Unemployed	5,100	6,320	5,900	-19.3	-13.6
% of Labor Force Unemployed	5.4%	6.8%	6.5%		
Total Employment	88,650	87,230	84,550	1.6	4.8
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	70,500	69,520	68,970	1.4	2.2
<b>Goods-Producing Industries</b>	15,140	15,100	15,400	0.3	-1.7
Mining	780	810	1,030	-3.7	-24.3
Construction	5,610	5,500	5,390	2.0	4.1
Manufacturing	8,750	8,790	8,980	-0.5	-2.6
Lumber & Wood Products	4,210	4,230	4,310	-0.5	-2.3
All Other Manufacturing	4,540	4,560	4,670	-0.4	-2.8
<b>Service-Producing Industries</b>	55,360	54,420	53,570	1.7	3.3
Transportation	1,770	1,720	1,790	2.9	-1.1
Communication & Utilities	1,070	1,070	1,040	0.0	2.9
Wholesale Trade	2,310	2,340	2,270	-1.3	1.8
Retail Trade	16,150	15,910	15,940	1.5	1.3
Finance, Insurance & Real Estate	2,600	2,580	2,470	0.8	5.3
Service & Miscellaneous	19,020	18,280	17,960	4.0	5.9
Government Administration	8,330	8,340	7,990	-0.1	4.3
Government Education	4,110	4,180	4,110	-1.7	0.0

\* Preliminary estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

duced the flood of Canadian lumber imports that exacerbated the wood products slump since April 2000.

### Bonner County

- Encoder Products of Sandpoint broke ground in September on a \$2.25 million expansion that could bring 150 new jobs to Sandpoint. Encoder, which makes electronic devices that control factory equipment, currently has 115 employees between its two plants—one in Sandpoint and the other in the Westmond area 12 miles south of Sandpoint. Encoder is adding a 70,000-square-foot extension to its 30,000-square-foot plant in the Westmond area. When it is completed two years from now, Encoder will move the employees in its Sandpoint plant to the Westmond plant and begin hiring more employees. The extension is funded through the Idaho Industrial Revenue Bond Program.
- The old federal building in downtown Sandpoint just entered its third incarnation. From its opening in 1927 until 1966, it served as Sandpoint's post office and federal building. Then, it became home to the



East Bonner Library. In April 2000, the library moved into a new, larger building. This year, Sherill Bottger and her husband Roger Jones, purchased the former federal building at 419 North Second Avenue, and renovated its outside to look much as it did in 1927. In mid-September, they opened Old Library Antiques, a mall for antique dealers and artisans, on the first floor. The first floor already is 85 percent occupied. The basement, offering more space for antiques, arts, and collectibles, just opened while the second floor became available for rent as offices.

- Reel Entertainment, based in Spokane, plans to open a 12,000-square-foot, six-screen movie complex at the Bonner Mall in Ponderay. The 700-seat Bonner Mall Movies could open by Christmas.
- Ken Gill and Janice Woods recently opened Sandpoint Boat & RV Storage Services one mile from the Sandpoint City Beach. The 5,000-square-foot building stores boats, RVs, ATVs, and jet ski trailers. The business also winterizes and repairs boats, including upholstery and detailing. It also offers shuttle service to and from city beach and 24-hour security.
- The New Asia Restaurant recently opened in the former Pastime Bar & Grill building at 209 North First Avenue in Sandpoint. The restaurant serves a broad assortment of Southeast Asian and American dishes.

#### **Kootenai County**

- Kootenai Medical Center (KMC) plans to add a fourth floor and several wings to the main hospital building at the northwest corner of Ironwood Drive and Lincoln Way in Coeur d'Alene. A total of 81,000 square feet will be added to the building at a cost of \$24 million. When the fourth floor opens in 2005, it will include 70 in-patient beds. One wing will provide more space for the hospital laboratory and administrative offices. Another wing will add space to the emergency area and include a rooftop helicopter pad. KMC also plans to add a 400-space parking garage in 2003.
- Coeur d'Alene Mines Corp., based in Coeur d'Alene, recently opened a branch office for its Earthworks Technology subsidiary at 409 West Neider Avenue in Coeur d'Alene. Earthworks Technology offers consulting on environmental matters and governmental relations for companies in mining and other industries. The Coeur d'Alene branch employs five people.
- After much speculation about its future, the former Louisiana-Pacific mill site in Post Falls recently was purchased by Spokane developers. Since L-P closed the mill in 1995, Post Falls residents have wondered about what would happen to the site with 2,000 feet

fronting the Spokane River. The Point at Post Falls will include houses and retail and commercial buildings. Post Falls officials believe the development will benefit downtown.

- Rathdrum is renovating its downtown. Using a \$445,000 community development block grant, Rathdrum is adding sidewalks, curbs, trees, and ornamental lights to Main Street. The renovation already is paying off; several potential businesses have shown interest in moving into vacant storefronts.

#### **Shoshone County**

- Silver Valley residents are pursuing the possibility of opening a zinc refinery that could employ up to 300 people. In addition, it would help the valley's lead, zinc, and silver mines, which pay high transportation costs because of the lack of refining capacity in the region. Currently, only two mines remain open, and one of them—the Lucky Friday—is laying off more than 100 workers this month. Opening of the zinc plant might lead to the reopening of the Star Mine. Construction of the zinc plant would cost an estimated \$280 million. The plant would produce 75,000 metric tons of bullion zinc per year. Byproducts would include iron oxide, lead concentrate, and elemental sulfur.
- Silver Mountain Ski Resort in Kellogg is undergoing a major facelift including installation of an ice rink, addition of miles of snowshoe tracks, and doubling the size of the beginner slopes area.
- The Route of the Hiawatha, a 46-mile trail for hikers and bikers along an old railroad bed through the Silver Valley into Montana, has proven very popular. This was the first summer of full operation. Visitors, *National Geographic*, *Sunset*, and bicycling and hiking magazines praise the trail, which goes through the Bitterroot Mountains over nine trestles and through ten tunnels.

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# SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

## LABOR FORCE AND EMPLOYMENT

Seaport's seasonally adjusted unemployment rate decreased in August to 3.8 percent from July's rate of 3.9 percent as shown in Seaport Table 1. In August 2000, the rate was 5.0 percent. Total employment in August increased by 140. Year-over-year, employment increased 740. Unemployment decreased by 30 from July and 410 year-over-year.

In August, Seaport's *Nonfarm Payroll Jobs* increased by 110 from July 2001, and 300 from August 2000. Most of the increase was recorded in *Construction*. However, of the two sectors in *Construction* — *Residential* and *Industrial* — only *Industrial Construction* increased, but increased enough to produce net gains for total *Construction*. The increases in *Industrial Construction* are because of road/bridge projects and construction of Bedrock Plaza, a large shopping mall in Lewiston. The Bedrock Plaza development will be home to Home Depot. Other stores considering the new plaza include: Safeway, Applebee's, Barnes & Noble, Best Buy, Famous Footwear, Fashion Bug, Eddie Bauer, Gart Sports, Great Clips, Hallmark, Linen and Things, Michael's, Old Navy, Petco, Pier 1, Postal Annex, Quizno's Subs sandwich shop, Radio Shack, Rite Aid Pharmacies, Ross Dress For Less, TJ Maxx, and Washington Mutual.

In other industries, *Food Processing* usually peaks to about 390 in June and July for harvest, and then falls to a range of 150 to 180 for the rest of the year. This year, even during the peak of harvest, employment decreased because of cut-backs by processors due to low pea prices. Permanent year round employment in *Food Processing* has been cut almost in half. In August, job increases in *Trade* were recorded (100) but remain below August 2000 levels. Although *Services* increased only slightly in August, there continues to be significant increases in the *Health Care* sector. During the last two years, *Health Care* has ac-

Seaport Table 1: Labor Force & Employment  
Nez Perce County, Idaho, and Asotin County, Washington

	August 2001*	July 2001	August 2000	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	34,850	34,740	34,520	0.3	1.0
Unemployment	1,330	1,360	1,740	-2.2	-23.6
% of Labor Force Unemployed	3.8%	3.9%	5.0%		
Total Employment	33,520	33,380	32,780	0.4	2.3
<b>Unadjusted</b>					
Civilian Labor Force	34,600	34,620	34,160	-0.1	1.3
Unemployment	1,120	1,230	1,480	-8.9	-24.3
% of Labor Force Unemployed	3.2%	3.6%	4.3%	-0.4%	1.1%
Total Employment	33,480	33,390	32,680	0.3	2.4
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	25,610	25,500	25,310	0.4	1.2
<b>Goods-Producing Industries</b>	5,360	5,320	5,370	0.8	-0.2
Mining & Construction	1,500	1,380	1,350	8.7	11.1
Manufacturing	3,860	3,940	4,020	-2.0	-4.0
Food Processing	80	250	140	-68.0	-42.9
Lumber & Wood Products	730	730	720	0.0	1.4
Paper Products	1,730	1,690	1,790	2.4	-3.4
All Other Manufacturing	1,320	1,270	1,370	3.9	-3.6
<b>Service-Producing Industries</b>	20,250	20,180	19,940	0.3	1.6
Transportation	1,370	1,380	1,350	-0.7	1.5
Communications & Utilities	270	270	280	0.0	-3.6
Wholesale Trade	980	940	1,040	4.3	-5.8
Retail Trade	5,230	5,170	5,290	1.2	-1.1
Finance, Insurance, & Real Estate	1,370	1,380	1,400	-0.7	-2.1
Services	7,180	7,130	6,740	0.7	6.5
Government Administration	1,960	1,980	1,870	-1.0	4.8
Government Education	1,890	1,930	1,970	-2.1	-4.1
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

counted for nearly all of the increases in *Services*. The trend continued in August with employment increases in both hospitals and clinics.

## SPECIAL TOPICS: UNEMPLOYMENT INSURANCE & WAGES

### Unemployment Insurance (Seaport Table 2 on pg. 10)

**Stabilizing the Economy:** Besides helping unemployed individuals and families transition from one job to another, Unemployment Insurance (UI) acts as an automatic economic stabilizer. In a recession, UI benefits offset some of the effects of job losses on a community's spending power. Because UI benefits allow unemployed individuals and their families to continue to pay their bills, it helps maintain incomes and spending power of the stores, landlords, banks, and service providers in the community. UI softens the blow and reduces the snowball effect of job losses.

**Retaining a Local Workforce:** Unemployment Insurance promotes stability by making it possible for employers to retain workers during the off-season or during a short downturn. Many seasonal industries would find

Seaport Table 2: Amount of Unemployment Insurance Payments						
County	Number of Weeks Paid			Dollar Amount Paid		
	State Fiscal Year			State Fiscal Year		
	2000	2001	Change	2000	2001	Change
Clearwater	9,026	13,191	4,165	\$1,967,721	\$3,151,141	\$1,183,420
Idaho	9,886	11,535	1,649	\$2,027,998	\$2,423,122	\$395,124
Latah	7,943	8,722	779	\$1,749,278	\$2,000,105	\$250,827
Lewis	1,406	1,910	504	\$275,699	\$399,818	\$124,119
Nez Perce	12,206	17,224	5,018	\$2,353,658	\$3,562,467	\$1,208,809
Total NorthCentral Idaho	40,467	52,582	12,115	8,374,354	11,536,653	\$3,162,299

Seaport Table 3: Wages Per Covered Worker															
	Clearwater County			Idaho County			Latah County			Lewis County			Nez Perce County		
	1999	2000	% Chg	1999	2000	% Chg	1999	2000	% Chg	1999	2000	% Chg	1999	2000	% Chg
Construction	\$24,798	\$21,637	-12.7	\$18,169	\$19,993	10.0	\$21,971	\$22,490	2.4	\$19,739	\$19,000	-3.7	\$28,729	\$29,822	3.8
Manufacturing	\$31,513	\$33,115	5.1	\$31,621	\$30,660	-3.0	\$31,534	\$31,867	1.1	\$24,280	\$23,263	-4.2	\$44,335	\$45,543	2.7
Trans., Comm., & Utilities	\$25,794	\$27,241	5.6	\$29,741	\$30,492	2.5	\$26,688	\$27,887	4.5	\$17,486	\$17,352	-0.8	\$28,451	\$29,296	3.0
Trade	\$14,596	\$14,899	2.1	\$14,898	\$15,421	3.5	\$14,005	\$14,817	5.8	\$15,295	\$15,515	1.4	\$16,906	\$17,243	2.0
Finance, Insurance & Real Estate	\$16,585	\$16,954	2.2	\$19,782	\$23,483	18.7	\$21,703	\$22,444	3.4	\$13,974	\$15,333	9.7	\$30,094	\$31,354	4.2
Service	\$18,695	\$19,034	1.8	\$16,241	\$16,141	-0.6	\$18,366	\$19,649	7.0	\$17,286	\$15,977	-7.6	\$22,828	\$23,836	4.4
Government	\$25,203	\$27,129	7.6	\$25,302	\$29,602	17.0	\$30,381	\$30,789	1.3	\$20,873	\$21,929	5.1	\$28,172	\$28,207	0.1
Annual Average for County	\$23,992	\$25,085	4.6	\$22,500	\$23,987	6.6	\$23,086	\$23,814	3.2	\$18,850	\$18,957	0.6	\$27,185	\$27,862	2.5
State of Idaho	\$26,049	\$27,712	6.4	\$26,049	\$27,712	6.4	\$26,049	\$27,712	6.4	\$26,049	\$27,712	6.4	\$26,049	\$27,712	6.4
SOURCE: Idaho Department of Employment, Research & Analysis UPDATED: September 20, 2001															

it much more difficult to attract and retain employees if their workers could not rely on UI to support them through the off-season.

#### WAGES (Seaport Table 3, above)

Local businesses are evaluating compensation packages to determine whether to increase wages for 2002. Employers usually look at the cost of living (Consumer Price Index) first. As of August 2001, the Consumer Price Index was 177.5 — a 2.7 percent increase from August 2000. Employers also look at wage trends from the previous year as shown on Table 3 and described in the following sections. *Please note that wages vary because of changes in both salary and hours worked.*

#### Clearwater County

Average wages in 2000 increased in all industries except for *Construction*, which decreased 12.7 percent. The average wage per worker increased 4.6 percent, falling below the state average of 6.4 percent. In September 2000, Clearwater County was hard hit by layoffs in *Lumber and Wood Products Manufacturing*, which traditionally paid the highest wages.

#### Idaho County

The average wage per worker in 2000 increased in all industries except for *Manufacturing* and *Services*. Idaho

County had the highest increase (6.6%) of the five counties in North Central Idaho.

#### Latah County

The average wage per worker increased 3.2 percent in 2000. The small increase means that buying power remained flat when figuring in the rate of inflation at 3.4 percent for 2000. The largest employment category, *Government*, posted only a 1.3 percent increase in wages.

#### Lewis County

Overall, wages increased only 0.6 percent in 2000. The loss of high-paying *Manufacturing* jobs from cutbacks in *Lumber and Wood Products* caused the average wage per worker to remain flat. The slight increase in wages means that buying power decreased because of the rate of inflation.

#### Nez Perce County

Average wages increased in all industries. However, the average change was only 2.5 percent, considerably below the state average of 6.4 percent. *Manufacturing*, traditionally paying the highest wage, increased only 2.7 percent. Because of the low increases in wages, the real change or buying power in wages remained flat when the rate of inflation is subtracted.

(Continued on page 24)



# TREASURE VALLEY

ADA, ADAMS, BOISE, CANYON, ELMORE, GEM, OWYHEE, PAYETTE, VALLEY, & WASHINGTON COUNTIES

## LABOR FORCE AND EMPLOYMENT

The seasonally adjusted unemployment rate for the Boise City Metropolitan Statistical Area (MSA), which includes Ada and Canyon Counties, was 3.9 percent for August 2001, as shown in Treasure Valley Table 1. This rate was down one-tenth of a percentage point from the July 2001 rate of 4.0 percent, and up five-tenths of a percentage point from the August 2000 rate of 3.4 percent. Despite the increased number of layoffs throughout the Treasure Valley, the unemployment rate of 4.0 percent is well below the 5.0 percent that some economists refer to as "full employment." The economy, though slower in some industries, is still doing fairly well overall. The number of individuals employed remained the same from July to August at 242,500, while a decrease occurred in the

**Treasure Valley Table 2: August 2001  
Seasonally Adjusted Labor Force Figures for  
Southwest Idaho Counties**

	Civilian Labor Force	Number Unem- ployed	Percent Unem- ployed	Number Employed
Ada	182,423	6,266	3.4	176,157
Adams	1,715	180	10.5	1,535
Boise	2,386	127	5.3	2,258
Canyon	69,937	3,592	5.1	66,345
Elmore	9,576	474	4.9	9,102
Gem	6,962	576	8.3	6,386
Owyhee	4,840	222	4.6	4,618
Payette	10,070	1,025	10.2	9,044
Valley	4,201	306	7.3	3,896
Washington	4,515	445	9.9	4,070
Statewide	686,500	31,539	4.6	654,961

number of unemployed individuals, from 10,100 in July to 9,900 in August. Severance packages, offered to some individuals who were laid off in recent months, may have contributed to the decrease in unemployed individuals because they have not yet filed for unemployment. Also, agricultural industries are hiring in all areas including field workers, truck drivers, and packing shed workers. There was a net decrease in the *Civilian Labor Force* of only 200 individuals from July to August 2001, and an in-

**Treasure Valley Table 1: Boise MSA Labor Force & Employment  
Ada and Canyon counties**

	August 2001*	July 2001	August 2000	% Change Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	252,400	252,600	237,900	-0.1	6.1
Unemployment	9,900	10,100	8,100	-2.0	22.2
% of Labor Force Unemployed	3.9	4.0	3.4		
Total Employment	242,500	242,500	229,800	0.0	5.5
<b>Unadjusted</b>					
Civilian Labor Force	254,400	255,800	240,100	-0.5	6.0
Unemployment	9,200	9,900	7,500	-7.1	22.7
% of Labor Force Unemployed	3.6	3.9	3.1		
Total Employment	245,200	245,900	232,600	-0.3	5.4
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	232,000	232,900	225,500	-0.4	2.9
<b>GOODS-PRODUCING INDUSTRIES</b>	55,200	55,300	54,300	-0.2	1.7
<b>Mining &amp; Construction</b>	18,200	18,100	16,800	0.6	8.3
<b>Manufacturing</b>	37,000	37,200	37,500	-0.5	-1.3
Durable Goods	28,600	28,800	28,800	-0.7	-0.7
Lumber & Wood Products	3,300	3,200	3,300	3.1	0.0
Wood Buildings & Mobile Homes	800	800	1,000	0.0	-20.0
Other Lumber & Wood Products	2,500	2,400	2,300	4.2	8.7
Fabricated Metal Products	1,200	1,200	1,300	0.0	-7.7
Ind. & Comm. Mach. & Computer Equip.	7,000	7,100	8,300	-1.4	-15.7
Electronic & Other Elect. Equip. & Comp.	13,400	13,400	12,100	0.0	10.7
Transportation Equipment	1,900	1,900	1,800	0.0	5.6
Other Durable Goods	1,800	2,000	2,000	-10.0	-10.0
Nondurable Goods	8,400	8,400	8,700	0.0	-3.4
Food Products	5,600	5,600	5,800	0.0	-3.4
Canned Cured & Frozen Foods	1,800	1,800	1,800	0.0	0.0
Printing, Pub & Allied Products	1,900	1,900	2,000	0.0	-5.0
Other Nondurable Goods	900	900	900	0.0	0.0
<b>SERVICE-PRODUCING INDUSTRIES</b>	176,800	177,600	171,200	-0.5	3.3
<b>Trans, Comm, &amp; Public Util</b>	12,100	12,100	12,000	0.0	0.8
Transportation	6,700	6,700	6,500	0.0	3.1
Comm & Elec, Gas & Sanitary Services	5,400	5,400	5,500	0.0	-1.8
<b>Trade</b>	58,200	58,300	56,600	-0.2	2.8
Wholesale Trade	13,900	14,000	13,700	-0.7	1.5
Durable Goods	8,400	8,400	8,200	0.0	2.4
Nondurable Goods	5,500	5,600	5,500	-1.8	0.0
Retail Trade	44,300	44,300	42,900	0.0	3.3
General Merchandise Stores	6,200	6,200	5,400	0.0	14.8
Foods Stores	7,500	7,600	8,000	-1.3	-6.3
Eating & Drinking Places	15,700	15,700	14,900	0.0	5.4
Other Retail Trade	14,900	14,800	14,600	0.7	2.1
<b>Finance, Insurance, &amp; Real Estate</b>	11,100	11,200	11,200	-0.9	-0.9
<b>Services</b>	62,200	62,200	59,800	0.0	4.0
Business Services	15,200	15,200	15,600	0.0	-2.6
Health Services	18,600	18,500	16,800	0.5	10.7
Hospitals	8,900	8,800	7,700	1.1	15.6
Eng., Acct., Res., Mngmt., & Related	4,800	4,800	4,600	0.0	4.3
Other Services	23,600	23,700	22,800	-0.4	3.5
<b>Government</b>	33,200	33,800	31,600	-1.8	5.1
Federal Government	5,400	5,300	5,300	1.9	1.9
State Government	12,300	12,300	11,700	0.0	5.1
Education	3,600	3,600	3,400	0.0	5.9
Administration	8,700	8,700	8,300	0.0	4.8
Local Government	15,500	16,200	14,600	-4.3	6.2
Education	9,400	10,000	8,900	-6.0	5.6
Administration	6,100	6,200	5,700	-1.6	7.0

\* Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

crease of 14,500 individuals from one year ago. Treasure Valley Table 2 shows the August 2001 labor force figures for all counties in Southwest Idaho.

The number of *Nonfarm Payroll Jobs* decreased by 900 from July to August 2001, and increased by 6,500 jobs since August 2000. Job losses in *Industrial & Commercial Machinery & Computer Equipment Manufacturing* (100) and *Other Durable Goods Manufacturing* (200) outpaced job gains in *Construction & Mining* (100) and *Other Lumber & Wood Products Manufacturing* (100) to create a net decrease of 100 jobs over the month in *Goods-Producing Industries*. Year-over-year, *Goods-Producing Industries* gained 900 jobs with *Construction & Mining* (1,400), *Other Lumber & Wood Products Manufacturing* (200), *Electronic & Other Electrical Equipment & Components Manufacturing* (1,300), and *Transportation Equipment Manufacturing* (100). This outpaced job losses in *Wood Buildings & Mobile Home Manufacturing* (200), *Fabricated Metal Products Manufacturing* (100), *Industrial & Commercial Machinery & Computer Equipment Manufacturing* (1,300), *Other Durable Goods Manufacturing* (200), *Food & Kindred Products* (200), and *Printing, Publishing & Allied Products* (100).

*Service-Producing Industries* lost 800 jobs between July 2001 and August 2001. Job losses in *Wholesale Trade* (100), *Food Stores* (100), *Finance, Insurance, & Real Estate* (100), *Other Services* (100), *Local Government Education* (600), and *Local Government Administration* (100) outpaced job gains in *Other Retail Trade* (100), *Health Services* (100) primarily *Hospitals* (100), and *Federal Government* (100) to create a net decrease in the number of jobs in the Boise City MSA. The primary loss was in *Local Government Education*, with most school districts breaking for the summer. Year-over-year, there was an increase of 5,600 jobs in *Service-Producing Industries*, with *Communication & Electricity, Gas & Sanitary Services, Food Stores, Finance, Insurance, & Real Estate* and *Business Services* the only industries to experience job losses. The most notable job gains over the year were seen in *General Merchandise Stores* (800), *Health Services* (1,800) primarily *Hospitals* (1,200), and *Other Services* (800).

## **SPECIAL TOPICS:**

### **Manpower Quarterly Employment Survey**

- Manpower, Inc., released its quarterly employment survey in late August, stating that 27 percent of Boise area employers surveyed expect to hire more people in October, November, and December. This number is down from 43 percent recorded for the same quarter last year. The survey also mentions that thirteen percent of employers surveyed plan to reduce their staffs in the coming quarter, which is up from seven percent one year ago. The survey also stated that new hires are expected in *Transportation, Communications, & Public Utilities*, while cut-backs are planned for *Finance, Insurance, & Real Es-*

*tate*. For a copy of the survey results, see the website at [www.us.manpower.com](http://www.us.manpower.com).

### **High-Tech Update**

- MCMS announced another layoff in late September that will affect an additional 94 workers at the electronic manufacturing plant in Nampa. The latest layoffs were related to the continuing phase-out of MCMS' business with Cisco Systems. Only a week prior to this announcement, the company announced plans to seek bankruptcy and sell its Nampa plant to a Massachusetts electronics manufacturing services company—Manufacturers' Services Limited—which stated that it intends to keep the Nampa site open and retain the majority of its workforce. The new company will emphasize box-building work such as creating racks and cabinets for circuit boards instead of assembling circuit boards.
- Hewlett-Packard (HP) and Compaq announced a \$20.3 billion merger in early September. A top Wall Street analyst was said to anticipate few, if any, of the layoffs that will stem from the merger will happen in Boise, with most of the cuts probably occurring at Compaq. The deal aims to create a giant manufacturer of personal computers, computer servers, printers, and high-tech services with \$87 billion in revenue. Several investors and analysts have expressed skepticism about the merger, especially with the recent downturns of the computer industry. Pending regulatory and shareholder approval, the purchase is expected to close in early 2002. HP also announced the \$629 million purchase of outstanding shares of Indigo, a Dutch company that makes industrial and commercial printing systems.
- Hewlett-Packard (HP) started a \$6.25 million building remodeling project in Boise in June that will accommodate expansion of its inkjet cartridge manufacturing business. The project consists of moving personnel out of a building that currently is solely devoted to inkjet supplies. The 10,000-square-foot space will be divided into two clean-room areas that will be devoted to creating metal sheets—a component used in inkjet cartridges. One clean-room area will be created now; the second one will be renovated based on future business expansion. This project should create 25 jobs. The first phase will be completed in November.
- New high-tech products recently released to the public include the low-priced LaserJet printer introduced by Hewlett-Packard—the HP LaserJet 1000. This black-and-white printer can print about 7,000 pages per month and is targeted for home office users, telecommuters, and small businesses.

- MicronPC launched a new high-end PC model in late August that features a 2.0 gigahertz Pentium 4 processor and is targeted towards mid-sized business and government clients. Interland, Inc., formerly Micron Electronics/HostPro, launched a new website in mid-September along with a new consolidated product line that reflects the merger between Interland and HostPro. The new website is [www.interland.net](http://www.interland.net).
- Cypress Semiconductor Corporation acquired the Boise-based company In-System Design in early September for \$45 million. In-System Design focuses on components for the data storage market. More than two-thirds of Cypress' sales come from communications markets. The employees of In-System Design received checks for their company stock and were enrolled in a bonus plan that will reward them for staying with the new owner. Approximately ten positions are being eliminated due to redundancies.
- Koppel's Browzeville announced plans to relocate from their 30<sup>th</sup> Street and Fairview Avenue location where it has been for 55 years, to the Collister Shopping Center at State Street and Collister Drive. The move provides better visibility for the business and will downsize the sales floor from 12,000-square feet to 6,400-square feet. Two workers could be affected by the move. Koppel's Browzeville will take over the space currently occupied by Four Star Restaurant Supply in the Collister Shopping Center. Four Star plans to move into a 10,000-square-foot adjacent space which was vacated by the M&W Market in December 1999.
- Preco New Products Corp. recently was renamed ConnectL. The name was changed to strengthen the company's position in the mobile computer "connectivity" market. The company was purchased from Preco earlier this year by Exact Research, Inc., a company that specializes in advanced materials applications. ConnectL is located on Maple Grove near Franklin, next to Preco Electronics.

## AREA DEVELOPMENTS

### Boise City MSA

- The Small Business Compliance Assistance Panel recently was created to review environmental issues as they concern small businesses in Idaho. The panel was authorized by the federal Clean Air Act, and will evaluate the effectiveness of Idaho's Small Business Assistance Program, as well as voice the concerns of small businesses affected by state and federal environmental regulations.
- The Downtown Boise Family YMCA has announced plans to convert conference rooms into exercise space and to offer its users a shuttle service due to increased attendance in the fall as people turn indoors for their fitness workouts. The shuttle service will run from the new, 35-space parking lot at 10<sup>th</sup> and Washington Streets (north of Fanci Freez) from 8 a.m. - 1 p.m. Monday through Friday.
- Albertson's, Inc., announced the closure of Idaho's only Sav-on Drug stores in late September as part of the company's restructuring plans that were announced in July. The two stores, located at 2540 North Bogus Basin Road and 2312 East Chinden Boulevard, will close November 1 because of poor performance. The two stores employ about 45 people. Transfers to other area Albertson's store will be offered to some employees. Others will be eligible for hire at other Albertson's stores throughout the state.
- Moon's Kitchen & Gift Shop, located at 815 West Bannock Street in downtown Boise announced in early September that it is for sale, although at publication time there have been no firm offers.
- Swire Coca-Cola announced plans to increase the size of its Meridian distribution center by constructing a 55,000-square-foot addition to its facility on East Overland Road. Additional workers may be added to the distribution center as demand increases. Construction of the new addition is scheduled to begin in Spring 2002.
- St. Luke's Regional Medical Center (SLRMC) announced plans to build a 940-space, five-level parking garage, and a three-to-four story medical office building south of Warm Springs Avenue and west of Broadway Avenue in Boise. The project is scheduled to start in late 2002 or early 2003. SLRMC applied for a conditional use permit, and a public hearing on the project with the Boise Planning & Zoning Commission was scheduled for early October.
- Pizza Hut announced plans to open four new Treasure Valley establishments by summer 2002. The new eateries will be in Boise, Kuna, Star, and Meridian. The Boise eatery is located at the southeast corner of Vista Avenue and Cherry Lane and is scheduled to open by Thanksgiving. The Meridian carry-out unit will be located at 519 East Fairview Avenue between Locust Grove and Meridian, and will be open in early October; the Star eatery, located in the Mira Plaza Shopping Center off of I-84, opened in early September; and the Kuna location is expected to begin construction next spring and be finished by summer 2001.
- Recent openings in Ada County include: Pro-Image, which will reopen a 624-square-foot sports-

gift retail store on the upper level in Boise Towne Square Mall; First American Title Company, 1250 Iron Eagle Drive in Eagle in August; United Heritage, a three-story national headquarters building along I-84 in Meridian; and Songbird Espresso at 1403 East First Street in Meridian in mid-September. Songbird Espresso is dedicated to creating habitat for migrating birds through sales of organic, shade-grown coffee which creates mulch for coffee plants and also habitat for songbird populations.

- Recent openings in Canyon County include: Congressman Butch Otter's Nampa office in late August; Pintura, a hair and nail salon at 1224 First Street South, Suite 208 in Nampa; Clinica Santa Maria—a Caldwell clinic operated by Dr. Edward Savala at 524 East Cleveland Boulevard in Caldwell; Ross Dress For Less at Karcher Mall in Nampa; Nampa First Church of the Nazarene's new 57,000-square-foot expansion of its Family Life Center at 600 15<sup>th</sup> Avenue South in Nampa, recently completed after 11 months of construction; Summit Mortgage Corporation office at 312 Caldwell Boulevard (the space that formerly housed a JC Penney catalog store); and a MicronPC computer outlet store at 1400 Shilo Drive in Nampa. The company closed its Boise outlet location.
- The new homeless shelter in Nampa officially broke ground in late September. The \$1.2 million Community Family Shelter will be the only permanent shelter in Canyon County for families, children, and single women, and will hold 56 beds. The building will be located at the corner of Fourth Street and 14<sup>th</sup> Avenue in Nampa. The shelter is expected to open in Spring 2002, and will be operated by The Salvation Army.
- McClure's Machine Shop, owned by Dwaine Skogsberg and Ray Martin, closed in late September after doing business for 53 years in Canyon County. McClure's Machine Shop, located at 245 Caldwell Boulevard in Nampa, provided steel and aluminum structural work. An auction to sell off equipment took place in late September.
- Lithia Motors recently purchased Lanny Berg Chevrolet of Caldwell for \$1.7 million. Lithia Motors is an Oregon-based company and already operates four dealerships in Boise. A Lithia Motors representative said that the purchase "marks the beginning of a more aggressive acquisition strategy to be implemented throughout the rest of the year."

#### **Elmore County**

- The Power Development Associates, LLC (PDA) power plant has received approval from the Mountain Home Planning and Zoning Commission. A con-

ditional use permit previously was granted to the company, but a recent zoning change allows the power plant to be placed in the Mountain View Industrial Park. The PDA power plant will be built in several stages, the first stage will be an 85 megawatt "simple cycle" natural gas fired unit. Construction is planned to start soon with the plant scheduled to operate by summer 2002.

- Several people at the Mountain Home Air Force Base have been called into action as part of President Bush's counterattack on terrorism. MHAFB B-1B bombers were deployed soon after the September 11 tragedy to an undisclosed location. A press conference was held at the base, but no additional information was released.

#### **Valley County**

- Forest Concepts, a manufacturing shop, opened in the small industrial park across Idaho 55 in Cascade. The business, headquartered in Federal Way, Washington, cuts small logs into smaller pieces then compresses them into larger logs for environmental rehabilitation. The products may be used to provide wildlife shelter, act as fallen trees to slow the flow of streams, or be used as nurse logs in forests and wetlands. Three employees have been hired so far, but the small manufacturing shop could expand in the future.
- Construction of the Holiday Inn Express that was previously scheduled in McCall has been delayed, and will not begin this year. The project originally was scheduled to start this year and be finished by spring 2002. The construction was delayed due to a dispute between the city and the developer over replacing water and sewer lines near the motel site, which was to be located on Idaho 55 at the south end of the city.
- The Pancake House in McCall has started construction on a new building adjacent to its current location. The new building will house a restaurant and gift shop, and is scheduled to open in 2002.
- Idaho Power recently selected a line route along Johnson Road in Valley County that will connect the future Boulder Substation to the electric grid. The entire project should improve electric service in the valley. The construction is planned for summer 2002, with the line and substation energized by fall 2002. The substation location is planned for the east side of Idaho 55 at Pearson Lane. Idaho Power has applied to Valley County for a conditional use permit for the substation, and a hearing before the Valley County Planning and Zoning Commission is set for November 8, 2001.

*(Continued on page 24)*



# MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

## LABOR FORCE AND EMPLOYMENT

The seasonally adjusted unemployment rate for the Magic Valley Labor Market Area was 3.1 percent for August 2001. This was 1.1 percent lower than July 2001 and four-tenths of a percentage point lower than August 2000. *Civilian Labor Force* was 1.8 percent higher in August 2001 than August 2000. The number of unemployed was down 11.1 percent during the same time period. This dramatic drop in unemployment was the result of high enrollment in summer school both at the College of Southern Idaho and area high schools. This resulted in many students obtaining employment later this summer rather than immediately after the end of the spring semester as they would normally. Also, there is a great deal of construction activity and the demand for construction workers has been higher. This August drop in unemployment has followed a similar pattern the last two years. It is anticipated that unemployment will rise to the more customary 4.0 percent or higher level in the near future.

*Nonfarm Payroll Jobs* are 4.1 percent lower from August 2000 to August 2001. All but three sectors had declines over the last three years. The largest declines occurred in *Retail Trade*, *Transportation, Communications, & Utilities*, and *Services*, with percentage drops of 7.9, 8.6, and 8.9 respectively. The three sectors that increased the number of jobs from August 2000 to August 2001 were *Other Nondurable Goods*, *Wholesale Trade*, and *Government-Education*.

The overall drop in *Nonfarm Payroll Jobs* in virtually every sector is an unmistakable sign of an economic slowdown in the area. Many factors have contributed to this decline. The region is in the midst of a severe drought situation. This has affected agricultural hiring and the loss of tourism has impacted the *Services*

Magic Valley Table 1: Labor Force & Employment  
Twin Falls, Jerome, and Gooding counties

	August 2001*	July 2001	August 2000	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	47,210	46,990	46,380	0.5	1.8
Unemployment	1,440	1,970	1,620	-26.9	-11.1
% of Labor Force Unemployed	3.1	4.2	3.5		
Total Employment	45,770	45,020	44,760	1.7	2.3
<b>Unadjusted</b>					
Civilian Labor Force	48,630	48,210	47,880	0.9	1.6
Unemployment	1,600	1,890	1,840	-15.3	-13.0
% of Labor Force Unemployed	3.3	3.9	3.8		
Total Employment	47,030	46,320	46,040	1.5	2.2
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	37,260	36,960	38,870	0.8	-4.1
<b>Goods-Producing Industries</b>	7,830	7,490	8,050	4.5	-2.7
Mining & Construction	2,240	2,240	2,270	0.0	-1.3
Manufacturing	5,590	5,250	5,780	6.5	-3.3
Durable Goods	830	820	890	1.2	-6.7
Nondurable Goods	4,740	4,430	4,890	7.0	-3.1
Food Processing	3,640	3,350	3,810	8.7	-4.5
All Other Nondurable Goods	1,100	1,080	1,080	1.9	1.9
<b>Service-Producing Industries</b>	29,430	29,470	30,820	-0.1	-4.5
Transportation, Comm., & Utilities	2,540	2,520	2,780	0.8	-8.6
Wholesale Trade	2,340	2,350	2,300	-0.4	1.7
Retail Trade	8,000	8,120	8,690	-1.5	-7.9
Finance, Insurance, & Real Estate	1,220	1,260	1,310	-3.2	-6.9
Services	8,060	7,950	8,850	1.4	-8.9
Government Administration	3,790	3,830	3,910	-1.0	-3.1
Government Education	3,480	3,440	2,980	1.2	16.8

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

sector. Also, consumers appear to be more cautious with discretionary income and this has caused a slowdown in *Retail Trade*. The long term economic well-being of South Central Idaho will depend a great deal on whether an average or above average water year transpires and the effect of the national recession on local consumer confidence.

## SPECIAL TOPIC

### Economic Outlook for South Central Idaho

There is a great deal of uncertainty and fear in the financial world at this time in the aftermath of the attack on the World Trade Center and the Pentagon and many are wondering what effect this will have on the overall economy and the future of the United States. At the time of this writing, the American Stock Markets are just completing the first week of operation



following the September 11th attack. The results of the first five days have been about a 16% decrease in the Dow Jones and NASDAQ composite indices and many economists are now predicting a mild to moderate recession. The major areas that have incurred the greatest losses are the airline and tourism industries with defense firms showing the greatest gains. The effect on South Central Idaho is expected to be more moderate than the rest of the nation and even parts of Idaho. The economy of South Central Idaho is heavily dependent on agriculture, retail, food processing, and light manufacturing.

Tourism does play a part, but with the exception of Sun Valley, most of the region is not a destination location. Tourism was already down due to drought conditions and most tourists coming to the Magic Valley are domestic, automobile travelers. Sun Valley will be affected to some extent, but how much will depend a great deal on the status of the 2002 Winter Olympic Games in Salt Lake City, Utah. Food processing is expected to remain stable. In times of crises, food products remain a necessity, and even in times of economic distress, people will generally continue pursuing some recreation, like eating out, and they will frequent fast food places more because of expense considerations. Since potato products such as french fries, etc., used in fast food settings comprise much of the food processing in the Magic Valley, it is expected that demand will remain stable. Light manufacturing in tool and die or plastics is expected to remain steady.

The Federal Reserve's recent moves to significantly lower interest rates has kept housing starts and business construction fairly strong, and the recent major building of a retail center on the Canyon Rim area of Twin Falls should keep construction strong through the first quarter of 2002. Retail is expected to be average to slightly below average this holiday season, and consumer confidence will play a large part in driving that sector. Agriculture is showing signs of improvement in commodity prices and overall outlook, and dairy and livestock demand has been strong. The real defining factor for agriculture is the continuing severe drought in Idaho. If South Central Idaho does not experience at least an average water year, the effect on agriculture could be severely negative.

A "wildcard" in the entire economic outlook is energy costs in the near term. If drought continues to drive electricity rates up and the present national crisis triggers gasoline shortages, businesses could find variable costs such as energy and transportation rise dramatically, causing retrenchment. If the 2001-2002 winter is a good water year, and energy prices and inflation remain under control, it is expected that the economy in South Central Idaho will experience a "soft landing" type of economic slowdown, but will avoid a major recession.

## AREA DEVELOPMENTS

### Twin Falls County

- Two new retailers have announced plans to locate in Twin Falls in the spring of 2002. Old Navy and Michaels will be locating new stores in the Canyon Park East project. Old Navy will open an 18,000-square-foot store and Michaels will open a 20,687-square-foot facility. Old Navy, a wholly owned subsidiary of Gap, Inc., specializes in fashionable, casual apparel for all ages and currently operates three Idaho stores in Boise, Idaho Falls, and Meridian. No employment information was provided by Old Navy. Michaels stores offer arts, crafts, framing, floral, decorative wall décor, and seasonal merchandise for the hobbyist and do-it-yourself home decorator. Michaels stores of this size typically employ 35-40 full and part time employees. These two new stores join T.J. Maxx and Famous Footwear as new tenants in the Canyon Park East Project, and all four stores expect to open in spring of 2002.
- Colliers International, a commercial real estate firm that offers a complete range of services on a local, regional, national, and international basis, has opened a new office in Twin Falls. The new office is located at 401 Second Street North, Suite 108.
- Milk Producers of Idaho, a new coalition of dairies and related businesses chose a former Twin Falls man to be its first executive director. Brent Olmstead, former vice-president of natural resources for the Idaho Association of Commerce and Industry began his new duties on September 1. Milk Producers of Idaho is a consortium that formed to provide the dairy industry in Idaho with an additional resource to address new regulations impacting the industry. MPI will work closely with the Idaho Dairymen's Association and the United Dairy-men of Idaho to address issues important to the industry. MPI will have an office in Boise and one in the Magic Valley.

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# SOUTHEAST IDAHO

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA, & POWER COUNTIES

## LABOR FORCE AND EMPLOYMENT

The Pocatello Metropolitan Statistical Area's (MSA) seasonally adjusted unemployment rate dropped seven-tenths of a percentage point in August 2001 to 4.3 percent from the July 2001 revised rate of 5.0 percent. The unemployment rate dropped because of increased staffing at Idaho State University for fall semester and because the hiring of agricultural workers increased in preparation for an early harvest. The MSA's unemployment rate remained below Idaho's rate of 4.6 percent and below the U.S. unemployment rate of 4.9 percent.

Year-over-year, the Pocatello MSA's seasonally adjusted unemployment rate declined five-tenths of a percentage point from 4.8 percent to 4.3 percent. Although the labor force increased by 900 people, the number of unemployed individuals declined by 140 and the number of employed individuals increased by 1,040. Despite softening of the national, state, and local economy, job creation continues and individuals are still able to find jobs.

*Nonfarm Payroll Jobs* increased by 720 from July to August 2001. *Government Education* experienced most of that increase, growing from 3,770 in July to 4,480 in August. Those increases were at Idaho State University as staffing levels increased for fall semester. Notable increases occurred in *Construction* and *Government Administration* as new nonresidential construction projects continued, and road and storm water projects got underway. A slight dip in *Manufacturing* jobs occurred, but some of the decreases are continuations of the American MicroSystem's reduction-in-force and temporary reductions in other manufacturing sectors.

The year-over-year change in *Nonfarm Payroll Jobs* was minimal in August. The 80-job increase occurred in the *Service-Producing Industries* (580), which offset decreases in the *Goods-Producing Industries* (470). Both *Construction* and *Manufacturing* suffered job losses since last August, mostly because of job reductions at AmericanMicro Systems and Astaris in Pocatello, and the lack of major road construction projects this year compared to last year.

Southeast Idaho Table 1: Labor Force & Employment  
Pocatello City MSA (Bannock County)

	August 2001*	July 2001	August 2000	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	40,340	40,360	39,440	0.0	2.3
Unemployment	1,750	2,040	1,890	-14.2	-7.4
% of Labor Force Unemployed	4.3	5.0	4.8		
Total Employment	38,590	38,320	37,550	0.7	2.8
<b>Unadjusted</b>					
Civilian Labor Force	39,620	39,060	38,770	1.4	2.2
Unemployment	1,700	1,910	1,850	-11.0%	-8.1
% of Labor Force Unemployed	4.3	4.9	4.8		
Total Employment	37,920	37,150	36,922	2.1	2.7
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>					
<b>Goods-Producing Industries</b>	4,290	4,260	4,760	0.7	-9.9
Mining & Construction	1,710	1,630	1,840	4.9	-7.1
Manufacturing	2,580	2,630	2,950	-1.9	-12.5
<b>Service-Producing Industries</b>	27,890	27,190	27,310	2.6	2.1
Transportation, Comm., & Utilities	1,810	1,820	1,880	-0.5	-3.7
Wholesale Trade	1,440	1,450	1,400	-0.7	2.9
Retail Trade	6,920	6,920	6,910	0.0	0.1
Finance, Insurance, & Real Estate	1,500	1,490	1,440	0.7	4.2
Services	8,110	8,170	8,040	-0.7	0.9
Government Administration	3,630	3,580	3,490	1.4	4.0
Government Education	4,480	3,770	4,150	18.8	8.0

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

## SPECIAL TOPIC

### Southeast Idaho Construction Activity

Southeast Idaho construction increased 19.4 percent during the first six months of this year over the first six months of 2000 according to the Wells Fargo Idaho Construction Report – June 2001. During the first six months of 2001, statewide construction increased just 6.8 percent, well below the activity level of Southeast Idaho. Most increases in Southeast Idaho occurred in nonresidential construction, which increased 121.4 percent, and in alterations & repairs, which increased 88.6 percent. Residential construction, though pale in comparison to nonresidential construction, increased 2.1 percent.

Construction activity varied widely between the different areas within Southeast Idaho. Construction charts 1 through 4 (see page 18) show percentage changes in construction from the first six months of 2000 to the first six months of 2001 for each Southeast Idaho county, the overall Southeast Idaho area, and the state of Idaho in total. Large increases in total construction for Bannock County, Power County, and Soda Springs City, outpaced decreases in Bingham County, Franklin County, and Montpelier City, driving Southeast Idaho's total construction activity higher than the state's. In residential construction, Bannock County was the only area to experience increased activity year-over-year. But the accumulative total for Southeast Idaho still showed an increase from the same period last year by 2.1 percent. Southeast

Chart 1: TOTAL CONSTRUCTION\*  
Percent Change from Jan-June 2000 to Jan-June 2001

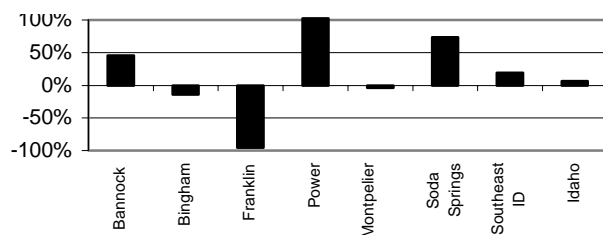


Chart 2: RESIDENTIAL CONSTRUCTION\*  
Percent Change from Jan-June 2000 to Jan-June 2001

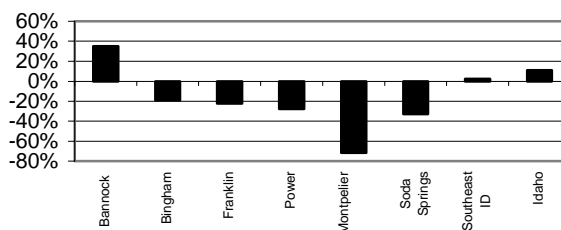


Chart 3: NONRESIDENTIAL CONSTRUCTION\*  
Percent Change from Jan-June 2000 to Jan-June 2001

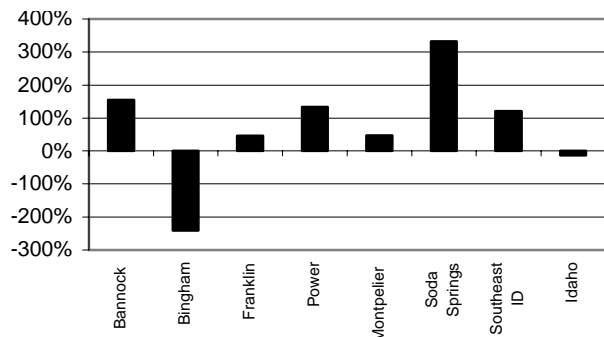
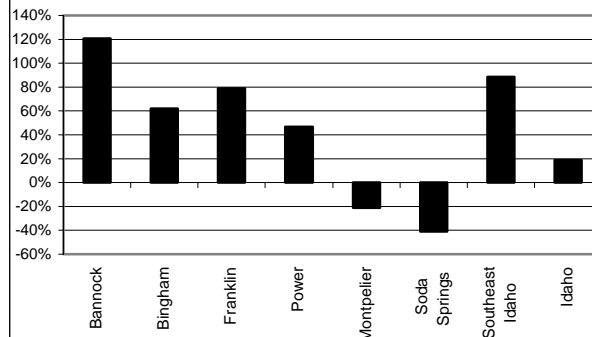


Chart 4: ADDITIONS, ALTERATIONS & REPAIRS\*  
Percent Change from Jan-June 2000 to Jan-June 2001



\*Source: Wells Fargo Idaho Construction Report—June 2001

Idaho's residential construction, though still an increase from January-June 2001, fell short of the overall state increase by a wide margin of 16.6 percent. Nonresidential construction in 2001 was more positive in the first six months than last year. Every area in Southeast Idaho reported gains except Bingham County, which was down about 24 percent. Large gains in all other areas pushed the six-month total 127 percent above last year's six-month total while the state overall experienced a much lower rate of 49 percent. The last category, additions, alterations & repairs, experienced gains in Bannock, Bingham, Franklin, and Power counties, while Montpelier and Soda Springs cities experienced slight decreases. Overall, the Southeast Idaho area gained 89 percent over last year, far surpassing the statewide gain of 18 percent.

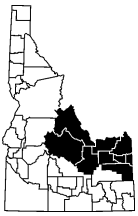
#### AREA ECONOMIC DEVELOPMENTS

- A ribbon cutting for the \$8.3 million renovation of Idaho State University's physical science wing was

held in August. Completion of the renovation was part of a much larger, two-phase project, which included building a \$20.3 million Physical Sciences Complex last year.

- Bingham Memorial Hospital in Blackfoot has started a \$350,000 remodeling project. The project will consist of upgrading all patient rooms, lobbies, and waiting rooms. Early next year, the hospital will add a rural health center and MRI suite. U-Copy Plus, a 24-hour self-service copy center in Blackfoot, has added Quik Banners Plus, a banner making business. A ribbon cutting ceremony was held in August.

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# NORTHEAST IDAHO

BONNEVILLE, BUTTE, CLARK, CUSTER, FREMONT, JEFFERSON, LEMHI, MADISON, & TETON COUNTIES

## LABOR FORCE AND EMPLOYMENT

The seasonally-adjusted unemployment rate fell five-tenths of a percentage point from July to August, 2001, in the Bonneville Labor Market Area (LMA) as shown in Northeast Idaho Table 1. The current rate of 3.0 percent is the lowest it has been for more than a year. Since 1998, the lowest rate the LMA has seen is 3.2 percent in June, 2001, and several months of 3.3 percent in 2000 and 2001. For a comparison of rates from 1998 to the present, see graph below—**Bonneville LMA Unemployment Rates**. In the graph, every month to the current shows that 2001 rates have been noticeably lower than all the previous years.

Butte experienced a large decrease in the month-over-month unemployment rate over—from 4.6 to 2.9 percent. All other counties also decreased, with Bonneville (2.7 percent) and Bingham (3.9 percent) counties decreasing three-tenths of a percentage point each and Jefferson County (3.1 percent) decreasing seven-tenths of a percentage point. A year-over-year comparison shows that the LMA decreased three-tenths of a percentage point, with Bonneville and Butte counties each decreasing three-tenths of a percentage point, Bingham County decreasing four-tenths of a percentage point, and Jefferson County increasing three-tenths of a percentage point. Idaho Falls, the largest city in the LMA, decreased four-tenths of a percentage point from July and decreased three-tenths of a percentage point from August of 2000.

Warehouses and processing plants gradually started back up after laying off employees for annual maintenance the previous month. Workers are being hired as part of harvest preparation, and construction jobs are plentiful in the area. Madison County, which is not included in the LMA, is interesting in that it has held the lowest unemployment rate in the state for the past year, and currently sits at 1.7 percent. Although

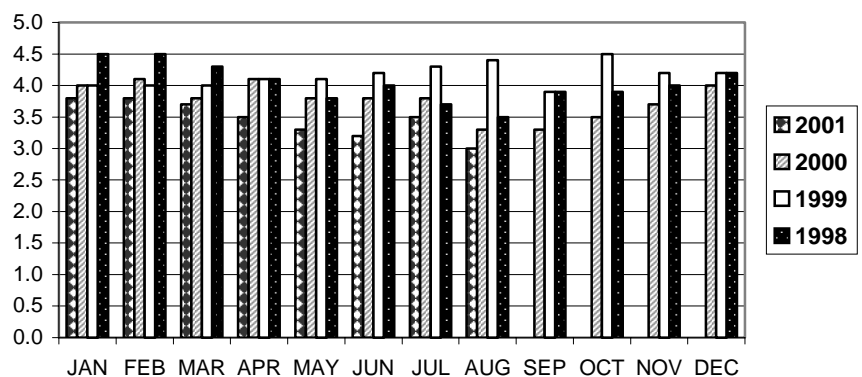
Northeast Idaho Table 1: Labor Force & Employment  
Bonneville, Bingham, Butte, & Jefferson counties

	August 2001*	July 2001	August 2000	% Change From Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	83,820	83,890	80,480	-0.1	4.2
Unemployment	2,550	2,910	2,680	-12.4	-4.9
% of Labor Force Unemployed	3.0%	3.5%	3.3%		
Total Employment	81,270	80,990	77,800	0.3	4.5
<b>Unadjusted</b>					
Civilian Labor Force	84,630	84,660	81,350	0.0	4.0
Unemployment	3,380	2,550	3,500	32.5	-3.4
% of Labor Force Unemployed	4.0%	3.0%	4.3%		
Total Employment	81,250	82,100	77,850	-1.0	4.4
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	63,920	64,670	62,710	-1.2	1.9
<b>Goods-Producing Industries</b>	10,370	10,420	9,600	-0.5	8.0
Mining & Construction	5,150	5,090	4,380	1.2	17.6
Manufacturing	5,220	5,330	5,220	-2.1	0.0
Food Processing	2,560	2,680	2,680	-4.5	-4.5
Ind. & Com. Mach. & Computer Equip.	500	490	570	2.0	-12.3
All Other Manufacturing	2,160	2,160	1,970	0.0	9.6
<b>Service-Producing Industries</b>	53,550	54,250	53,110	-1.3	0.8
Transportation, Comm., & Utilities	2,370	2,390	2,320	-0.8	2.2
Wholesale Trade	5,880	6,250	5,920	-5.9	-0.7
Retail Trade	11,470	11,410	11,690	0.5	-1.9
Finance, Insurance, & Real Estate	1,920	1,920	1,890	0.0	1.6
Services	21,840	21,620	21,670	1.0	0.8
Government Administration	5,940	6,010	5,440	-1.2	9.2
Government Education	4,130	4,650	4,180	-11.2	-1.2

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Bonneville LMA Unemployment Rates



the county expects to gain more in the labor force with the growth of Brigham Young University-Idaho, it will be a gradual growth. A tight labor

market presents some employers with the need for more creative hiring practices.

The seasonally adjusted *Civilian Labor Force* showed a decrease of 70 people month-over-month, but an increase of 3,340 people from a year ago this time. Call centers and construction workers seem to be in demand along with security and restaurant/fast food workers. The population trends show that more people are entering the workforce as the 15- to 19-year-old age group matures.

*Nonfarm Payroll Jobs* (jobs by place of work) decreased by 750 over the month, for a total of 63,920 jobs in the LMA. *Goods-Producing Industries* decreased by 50 jobs month-over-month, with *Manufacturing* (loss of 110 jobs) counteracting the increase of 60 *Construction* jobs. *Manufacturing's* drop came from *Food Processing's* loss of 120 jobs as many were laid off for routine annual maintenance before new seasonal crops become available for processing. *Goods-Producing Industries* experienced an increase over the previous August of 770 jobs.

*Service-Producing Industries* decreased month-over-month (700 jobs). *Government Education* experienced the largest decrease (520 jobs) as some summer semesters came to an end. *Wholesale Trade* saw the next largest decrease of 370 jobs with many warehouses shut down for annual maintenance. Services showed the largest increase in jobs for the month, with *Business Services*, *Social Services* and *Non-Profit Organization* sectors being the main contributors. *Engineering & Management* was the only *Services* sector to show a loss (33 jobs). *Service-Producing Industries* showed a year-over-year gain of 440 jobs, with *Government Administration* and *Services* counteracting losses from *Trade* (mostly *Retail*) and *Government Education*.

## SPECIAL TOPIC

### Salmon Celebrates

Salmon is a town that has seen much activity in the last decade, with timber changes to mine closures to massive fires. However, the town is optimistic that some change can be for their good and they are working hard to prepare for the future. The Lewis and Clark Trail and Sacajawea projects are of much interest nationwide as a national celebration is set to kick off in the next several years. Salmon is expected to be one of two Idaho cities to be highly visited. The town is also focusing on economic development and many exciting improvements are in the works. Salmon remains strong and ready to adjust to whatever comes its way.

August 11-12, 2001, brought a great celebration to the town when Salmon celebrated its ninth-annual Great Salmon Valley Balloonfest and Sacajawea Heritage Days. The massive fires last year caused Salmon to cancel its festivities which would have been the ninth-annual celebration, so this year was eagerly awaited. The Sacajawea name was added to the celebration title

in 2000 since she played such a vital part in the Lewis & Clark expedition and because the Sacajawea Interpretive Center will be located in the city.

The participants enjoyed a beef barbeque, two concerts, a fun run, artifact displays, demonstrations, dance performances, Sacajawea presentations, a picnic, a mountain climb on Indian Creek, Dutch-oven brunch, and a brew fest. The balloonfest consisted of three balloons that floated over the city for three days. Balloon sponsors were even given rides in the balloons. One business donated a van that was given away in a drawing at the Brew Fest. Several area businesses sponsored the dancers of the Ft. Hall Inter-Tribal Dance Company. Their performance included a pleasant surprise when dancer Hovia Edwards, who is a world-renowned flutist, performed on her flute as well.

Sara Edlin Marlowe of Spokane gave a one-woman, first-person rendition portraying Sacajawea that she wrote herself. Artists and artisans gave arts and crafts demonstrations reminiscent of the period such as candle and soap making, woodworking, flint knapping, horseshoeing, metal working, and quilting. Artifact displays consisted of two traveling trunks of replicas of artifacts of the Lewis & Clark Expedition. The artifacts were supplied by Lewis & Clark Travel Rest Chapter of Missoula and the Idaho Historical Society of Boise. The Island Park, under the downtown Salmon bridge, was the main location for the celebration. The celebration was well attended and well received.

## AREA DEVELOPMENTS

### Bonneville County

- Urgent Care opened at 740 South Woodruff Avenue in Idaho Falls in September. The clinic is open Monday through Saturday from 8 a.m. – 8 p.m. and treats everything from minor colds to major cuts and broken bones. The clinic has an X-ray machine and can handle some lab work. It can be reached at 542-9111.

### Lemhi County

- North Wind Environmental Corporation, a company specializing in resource work such as preparing biological assessments and on-the-ground restoration, opened new offices in Salmon in late August. The company contracts to supply expertise and labor to agencies in need of personnel. Local people and companies are hired whenever possible. The company already has a contract with the Bureau of Land Management. The central office is located in Idaho Falls with satellite branches in Colorado, Montana, Wyoming, and now Salmon. The new location is in the old roller rink building at Main and Water streets in Salmon.

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## 2001: A SUN VALLEY ODYSSEY LMI FORUM

Can you think of a better place to learn about labor market information (LMI) than beautiful Sun Valley, Idaho? Nearly 130 people from around the county did just that when Idaho hosted the 2001 LMI Forum in early October. This annual gathering gives frontline LMI professionals the opportunity to discuss the latest trends in labor market analysis, and learn about innovations in the field of workforce development statistics.

### Odyssey into the Business Landscape of the Future

John Varadallas, an international business consultant, jumpstarted the LMI Forum with his keynote address on workforce trends in the 21st century. During the next decade the American workplace will be transformed by changes in business, technology, and human resources, and the tragedy of September 11th will have a profound effect. "Because of September 11, all bets are off. LMI will provide a tremendous opportunity to help keep people working and workers aware of changes caused by new lifestyles because of terrorism. People will be looking for direction." The future workplace will see increased diversity of workers with more women, minorities, migrant, and mature workers. With automated systems at every turn, people also will be looking for increased personal contact. "The consumer will be king, and more high tech will require more touch." Job changing will be more fluid, transferable skills more important and valuable. John's advice was to "stay consumer-driven; stay focused on the consumer not on processes. Always ask yourself the question, 'who's hiring and who's looking?'"

### Workshops and Discussion Groups

Though some of the ideas, tools, and data discussed are new and not yet available in Idaho, we wanted to provide you with an overview of the topics covered to keep you informed of trends and changes in the area of labor market information. The following synopses of several seminar sessions were submitted by the Regional Labor Economists.

### Data Gaps

An overview of the Workforce Information Council (WIC) was presented in the general session, "WIC Update." Made up of elected officials and members of various agencies, including the U.S. Department of Labor, WIC was created to serve national, state, and local workforce information needs under the Workforce Investment Act (WIA). Three action steps have been outlined: strengthen customer feedback for continuous improvement; fill critical data gaps; and improve workforce in-

formation delivery and analysis.

Where are the gaps between the data we currently provide and the data our customers need? A session on workforce information for Workforce Information Boards (WIBs), first touched upon how to determine the information needs of the boards. Techniques were covered for packaging services and products, and getting them to the right people in a timely manner, along with some marketing tips.

Information about skills is an important aspect of labor force information. The possibility of national standards to ensure all students receive basic skills (reading, writing, and arithmetic) was discussed, along with the possibility of helping junior and senior high school students learn important job skills. To accomplish these goals, the support of educational agencies would be necessary. Skills assessments should be able to go from general to detailed skills, offered in an intuitive and flexible format. Information about transferable skills, and the industries where workers share skills, needs to be gathered.

### Surveys

Methods of surveying, costs involved, and questionnaire development were presented in the session "Survey Questionnaire Design." Mail and phone surveys were discussed in detail, and a breakdown of the timeline and costs involved were provided.

Surveys addressing three specific topics—job vacancies, employee benefits, and labor availability studies—were covered in separate workshops. Colorado used information gathered in a job vacancy survey to create an occupational list with only a 1.5-month turnaround time. Information on that survey is available on the Internet at <http://lmi.cdle.state.co.us/wra/home.htm>. Delaware and Nebraska have conducted benefit surveys, and presented their results and lessons learned in one workshop. Direct comparisons between states isn't possible because of the differences in sample sizes and sample selection techniques, as well as different questions asked, survey formats, and response options. A consortium is being developed to address these issues and to develop a national benefits survey. Labor availability studies can provide information to economic developers about both employed and unemployed workers and their skills. North Dakota designs such surveys and does the initial research, arranges for a university research center to conduct telephone surveys, and then analyzes and publishes the results.

A fourth type of survey, a customer satisfaction

measurement system conducted in Florida, was the subject of another workshop. Phone results were higher than mail results, but both surveys were expensive. The presenter suggested that input on questionnaire design be actively sought, and that complete and accurate address information be obtained. The American Customer Satisfaction Index also was discussed. That index standardizes customer satisfaction scores with private businesses, enabling a public entity to compare its customer satisfaction scores to those of private businesses of similar size.

### Tools and Analysis

A number of workshops offered information on tools and methods of analysis that can provide new insights into the labor market. The Longitudinal Employer-Household Dynamics (LEHD) program was discussed in a session on filling data gaps. This program's goal is to merge the data and expertise of the Census Bureau with that of each state to provide greater efficiency and improve the accuracy of data. Uses of the resulting data and plans for future efforts also were discussed.

The Estimate Delivery System (EDS) simplifies the process of estimating occupational employment and wages in local areas using data from the Occupational Employment Statistics (OES) program. This system is flexible and can be customized, allowing estimates to be created for local areas at different levels of industry detail in various formats, including HTML.

The Projection Suite, created by America's Labor Market Information System (ALMIS), is a model that combines long-term and short-term industry projection and micro-matrix occupational projection development. The suite uses a common database and On-Line Analytical Processing (OLAP). It offers advanced, integrated features and enhanced training and user guides.

Data cubes also use OLAP technology to aid users in understanding business information, providing direct access to stored data in a consolidated "data warehouse," structured for fast retrieval. Idaho is in the early stages of using this technology to analyze ES-202 data.

America's Career Toolkit is a set of five online tools to provide extensive labor market information. These five tools are: America's Job Bank, an enormous database of job openings ([www.ajb.org](http://www.ajb.org)); America's Talent Bank, an online resume bank ([www.ajb.org/html/atb\\_home.html](http://www.ajb.org/html/atb_home.html)); America's Learning Exchange, information on available job training programs ([www.alx.org](http://www.alx.org)); America's Career InfoNet, a subset of tools designed for both workers and employers ([www.acinet.org/acinet/](http://www.acinet.org/acinet/)); and America's Service Locator, listing workforce development services in communities ([www.servicelocator.org](http://www.servicelocator.org)).

America's Job Bank also was the topic of another workshop. This large, continually changing database has

a wealth of information that can be mined to increase our understanding of the labor market and occupational trends, and to provide insights into the U.S. economy. The Utah Department of Workforce Services is working to provide daily, and perhaps even hourly or real-time data mined from the database. Other contractors are working to improve the integrity of the data and to discover more about job titles and skills, especially for emerging occupations.

Econometric models used to analyze the economic impact of natural disasters were discussed, and the same models can also be used to assess the impacts of economic development or business closures.

A session on industry targeting and clustering in Missouri focused on how to select target industries that will have the most positive effect on the area, building on existing strengths. Each business is connected to both supplying and receiving industries, and can have a positive impact on several industries at once. Specialization ratios help identify basic (export) and non-basic (local) industries. The degree to which a region specializes in an industry can then be evaluated in relation to the nation. Shift-share analysis could be used to determine employment growth in a region over a specified time period. Employment growth can then be broken into three parts: national share, industrial mix, and regional shift. Missouri has used three ways of clustering industries based on the interdependence between an industry's suppliers and consumers. The three types of clusters used are: Labor Force Clusters using industry employment and wage data, Knowledge Clusters based on knowledge or skills requirements, and Value-Chain Clusters involving information about suppliers and consumers.

In Wyoming, agencies are cooperating to gather demographic data and to analyze wage records to better understand their labor force. That research is available on the Internet at <http://lmi.state.wy.us/Wage-Records/title.htm>. A representative of the Census Bureau also discussed how that agency is working to improve data collection and incorporating research to help states meet their information needs.

The ES-202 program collects information on employment and wage data that is a major input for personal income and gross domestic product (GDP) figures. The program also can provide employer lists, distribution of employers by size and/or industry, and information about growing or declining industries. Geo-coded maps derived from ES-202 can show businesses impacted by natural or unnatural disasters, and it can be used to indicate to employers where competitors or related businesses are located. The development of a longitudinal



database will provide time series data for individual employers, allowing research about business survival rates.

### **Marketing**

Though there is a lot of available labor market information, many potential customers may not know about it or be aware of how they could use the information. Marketing this information was discussed in several workshops.

The session, "*Cold Feet to Hot Products: Making a Commitment to Our Customers*," offered ideas to let all customers know about available LMI products and services. The message from this session was that marketing is not a one-time event, it happens all the time, even when you may not realize it is happening. But it takes training and practice to market well, and a commitment to the process is fundamental. You also have to know your audience, deliver your message, stay current, and maintain your identity.

The marketing message was continued in the session, "*Marketing: Essentials for Every LMI Shop*." Customers want products and services on their terms; if you don't provide what they want, someone else will—using your information. A survey of Illinois businesses revealed three important data needs: wages, job descriptions, and short-term and long-term industry projections. It is vital to understand what your customers want before you can meet their needs.

A three-hour workshop, "*Marketing Labor Market Information: Almost Everything You Need to Know*," emphasized the need for change. Marketing essentials include: developing strategies; conducting research; making a plan; implementing the plan; and then evaluating the plan. Tips about methods that work, and others that don't, were provided, with examples geared to labor market information jobs and data.

An LMI workshop utilizing a CD-ROM program was developed in California to train people on the topic of labor market information. Even when time and other resources are limited, the benefits of training are worth the effort. Technology can ease the way, allowing large numbers of people to be trained quickly. Montana is utilizing videos, computers, and music in their LMI training sessions. A guide was presented to organize

training sessions into modules, targeting the individualized needs of each client and region at the grassroots level.

### **Updates**

Several changes are taking place that directly affect labor market information. The updates on these changes provided during the LMI Forum are summarized below.

### **NAICS (National American Industry Classification System)**

Florida's Code Conversion Project that converts to SOC and NAICS was discussed. Florida has created workgroups made up of the Executive Office of the Governor, Agency for Workforce Innovations, Department of Education, community colleges, Department of Labor and Employment Security, Department of Insurance, local WIBS, and others. Their work can be found at <http://www.labormarketinfo.com>. Backcasting NAICS data to build a historical time series also was addressed.

### **Census 2000 and the American Community Survey**

The session covered the methodology of the new American Community Survey and scheduled release dates. Presenters offered insights on the new survey and the wide range of people who will utilize the data. Data collected from the survey will be used to improve local unemployment estimates, publish profiles of American communities and special population groups, build summary tabulations similar to the census, down to the block level, and to allocate billions of federal dollars.

### **Policy Councils**

The Workforce Information Council (WIC) establishes and oversees workgroups composed of state and federal representatives to participate on policy councils that affect labor market information needs. Currently, there are four ongoing policy councils working to improve the quality and efficiency of LMI data: Occupational Employment Statistics (OES), ES-202, Local Area Unemployment Statistics (LAUS), and Current Employment Statistics (CES). Each policy council has a handful of representatives from the Bureau of Labor Statistics (BLS) and many state members spanning the United States.

## **Seaport**—(Continued from page 10)

### **AREA DEVELOPMENTS**

#### **Clearwater County**

- Nearly \$2 million in federal and state grants have been acquired to develop a light manufacturing industrial site in Orofino. The grants will cover the development, land costs, and construction of a 30,000-square-foot building. An expanding local company, Architectural Sign and Engraving, will be the anchor for the new building and will occupy about half of the space. The other half of the building will provide space to encourage local business to expand or outside companies to move to the county. Some companies already have inquired and are being considered.

#### **Idaho County**

- St. Mary's Hospital in Cottonwood will be constructing a new 12,000-square-foot, two-story clinic building that will house 12 new exam rooms, physician offices, procedure room, reception area, and clinic business offices. The site for the new clinic is next door to the existing clinic. The project is scheduled for completion by fall 2002. The current clinic was constructed in 1965 as a convent dormitory and will be remodeled into administrative office space.
- A wood management consultant recently visited the Elk City area conducting a feasibility study for developing a timber frame business. Timber framing is a process centuries old, involving stout posts and beams which are shaped at their connections to lock together, unlike light frame construction in which slender boards are cut to length and nailed together. Timber frame is generally left exposed to display the craftsmanship and style. After studying the wood available, the consultant said he proposed a business that would employ five to 20 employees creating ready-to-

assemble products such as small cabins, shelters, garages, and storage buildings.

#### **Nez Perce County**

- Potlatch Corporation will mothball a band saw also known as a "head rig" used to process large logs at its Clearwater Lumber Mill in Lewiston. The change in operation will eliminate 30 to 40 positions at the sawmill. Potlatch Corporation is making the change in an effort to improve sawmill efficiency, said Frank O. Carroll, company spokesman. The number of employees affected is not known because of normal attrition, such as retirement and employment in other wood units in Idaho. Shutting down the head rig is the first step in a long-term, ongoing strategy to make the Clearwater Mill consistently profitable, said Carroll. The mill intends to focus on eight-inch to 18-inch, small-end diameter logs that are ideal for the mill equipment. Smaller or larger logs will be sold or traded to obtain the logs needed to meet the mill's new strategy.
- Pay-N-Pak, a hardware and garden store at 1715 Idaho Street in Lewiston, closed its doors in September in response to the announced opening of a Lewiston Home Depot store in December. Company officials cited the entrance of Home Depot into the Lewiston Market as the main reason for closing the store. With 12 stores in Idaho, Washington and Montana, company officials know the level of performance each location needs in order to survive Home Depot's arrival. The Lewiston store did not meet those levels.

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## **Treasure Valley**—(Continued from page 14)

#### **Washington County**

- On September 25, 2001, the Washington-Adams Economic Development Committee held a meeting with everyone interested in creating economic growth in the Washington-Adams County areas. The Sirolli Institute, an economic development organization based in Baker City, Ore., talked to the group about its program for creating work and commerce in rural areas that are traditionally classified as "economically depressed" by traditional development economists. This new approach is known as "garden economics" and has been successful in Baker County, Ore. The philosophy is based on developing the resources already in the community and requires the participation of everyone in the communities to share their skills on the economic development board.

- Construction started in late August on The Cottages, an assisted-living center in Weiser. The center is located on 1225 East Sixth Street at Pence and initially will accommodate 15 residents. Services offered to the residents include meals, laundry, housekeeping, medication management, and other various living assistance. This is one of three centers scheduled for construction in the Treasure Valley this year. The construction of The Cottages in Emmett began earlier this year. A ground-breaking for the Payette facility is scheduled for later this year.

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# Glossary of Labor Market Terms

**Agriculture Employment:** Persons on agriculture payrolls who work or receive pay for any period during the survey week. This includes owners, operators, unpaid family members who work at least 15 hours a week, and hired laborers.

**Average Hourly Earnings/Average Weekly Hours:** The average total money earnings earned by production or non-supervisory workers for selected industries. The average number of hours worked by production or non-supervisory workers including overtime, paid vacation, and sick leave. The data is collected for the week including the 12<sup>th</sup> of the month.

**Average Weekly Earnings:** Average Hourly Earnings multiplied by Average Weekly Hours.

**Civilian Labor Force:** A count of non-institutional persons 16 years of age and over residing within a specific geographic area, excluding members of armed forces, who are classified as employed, unemployed and seeking employment, or involved in a labor dispute.

**Consumer Price Index (CPI):** A national index measuring changes over time in the price of a fixed market basket of goods and services. There are two indexes—the All Urban Consumers (CPI-U) represents the buying habits of about 80 percent of the non-institutional population of the United States, and the Urban Wage & Clerical Workers (CPI-W) represents 40 percent of the population.

**Covered Employers:** Employers who are subject to state and federal Unemployment Insurance laws.

**Durable Goods:** Also known as “hard goods” because they include items manufactured or provided by wholesalers with a normal life expectancy of three years or more.

**Employed:** Individuals, 16 years of age or older, who worked at least 1 hour for pay or profit or worked at least 15 unpaid hours in a family business during the week including the 12<sup>th</sup> day of the month. Individuals are also counted as employed if they had a job but did not work because they were: ill, on vacation, in a labor dispute, prevented from working because of bad weather, or temporarily absent for similar reasons.

**Initial Claim:** Any notice of unemployment filed to request (1) a determination of entitlement to and eligibility for compensation or (2) a second or subsequent period of unemployment within a benefit year or period of eligibility.

**Labor Market Area (LMA):** An area that consists of a central city or cities and the surrounding territory within commuting distance. It is an economically integrated geographic area within which individuals can reside and find employment without changing place of residence. Idaho has nine LMAs.

**Metropolitan Statistical Area (MSA):** An area that has either a city with a population of at least 50,000 or a Bureau of Census urbanized area of at least 50,000 and a total metropolitan area of at least 100,000. The Office of Management and Budget designates the MSAs. There are two MSAs in Idaho—Boise City (including Ada and Canyon counties) and Pocatello City (including Bannock County).

**Nonfarm Wage & Salary Employment:** Persons on nonfarm establishment payrolls (including employees on paid sick leave, paid holiday, or paid vacation) who work or receive pay for any part of the week including the 12<sup>th</sup> of the month. It is a count of jobs by place of work. It does not include self-employed, unpaid volunteer or family workers, domestic workers in households, military personnel and persons who are laid off, on leave without pay, or on strike for the entire reference period.

**Nondurable Goods:** Also known as “soft goods” because they include items manufactured or provided by wholesalers that generally last for only a short period of time (three years or less).

**Seasonally Adjusted:** Data is seasonally adjusted to remove the impact of regular events that occur at the same time every year such as the effect of cold weather on outdoor activities, the Christmas holiday, or the summer influx of youth into the labor market.

**Unemployed:** Those individuals, 16 years of age or older, who do not have a job but are available for work and actively seeking work during the week including the 12<sup>th</sup> of the month. The only exceptions to these criteria are individuals who are waiting to be recalled from a layoff and individuals waiting to report to a new job within 30 days—these, too, are considered unemployed.

**Unemployment Insurance:** Unemployment Insurance is a program for the accumulation of funds paid by employers, to be used for the payment of Unemployment Insurance to workers during periods of unemployment which are beyond their control.

**Unemployment Rate:** The number of persons unemployed expressed as a percentage of the labor force.

**Weekly Benefit Amount:** The amount payable to a claimant for a compensable week of total unemployment.

**Weeks Claimed:** The number of weeks that unemployed workers claimed Unemployment Insurance benefits.

**Weeks Compensated:** The number of weeks for which compensation was actually paid.